

By: McClendon, Davis of Dallas, Phillips,
Harper-Brown, Smith of Tarrant, et al.

H.B. No. 3097

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation, organization, duties, and functions of
3 the Texas Department of Motor Vehicles and to the use of certain
4 specialty license plate fees to fund the Choose Life and Choose
5 Adoption account; providing penalties.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 ARTICLE 1. TEXAS DEPARTMENT OF MOTOR VEHICLES

8 SECTION 1.01. Title 7, Transportation Code, is amended by
9 adding Subtitle M to read as follows:

10 SUBTITLE M. DEPARTMENT OF MOTOR VEHICLES

11 CHAPTER 1001. ORGANIZATION OF DEPARTMENT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 1001.001. DEFINITIONS. In this subtitle:

14 (1) "Board" means the board of the department.

15 (2) "Department" means the Texas Department of Motor
16 Vehicles.

17 Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) The
18 department is created as an agency of this state.

19 (b) In addition to the other duties required of the Texas
20 Department of Motor Vehicles, the department shall administer and
21 enforce:

22 (1) Subtitle A;

23 (2) Chapters 642, 643, 645, 646, and 648;

24 (3) Chapters 2301 and 2302, Occupations Code; and

1 (4) Article 4413(37), Revised Statutes.

2 Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department
3 is composed of an executive director appointed by the board and
4 other employees required to efficiently implement:

5 (1) this subtitle;

6 (2) other applicable vehicle laws of this state; and

7 (3) other laws that grant jurisdiction to or are
8 applicable to the department.

9 Sec. 1001.004. DIVISIONS. The board shall organize the
10 department into divisions to accomplish the department's functions
11 and the duties assigned to it, including divisions for:

12 (1) administration;

13 (2) motor carriers;

14 (3) motor vehicles; and

15 (4) vehicle titles and registration.

16 Sec. 1001.005. SUNSET PROVISION. The department is subject
17 to Chapter 325, Government Code (Texas Sunset Act). Unless
18 continued in existence as provided by that chapter, the department
19 is abolished September 1, 2015.

20 [Sections 1001.006-1001.020 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

22 Sec. 1001.021. BOARD. (a) The board consists of nine
23 members appointed by the governor with the advice and consent of the
24 senate. Appointments to the board shall be made without regard to
25 the race, color, disability, sex, religion, age, or national origin
26 of the appointees.

27 (b) Three members shall be appointed to represent motor

1 vehicle dealers, one of whom must be a recreational vehicle dealer
2 or a heavy-duty truck dealer; one member shall be appointed to
3 represent county tax assessor-collectors; one member shall be
4 appointed to represent the motor carrier industry; one member shall
5 be appointed to represent law enforcement agencies; and three
6 members shall be appointed to represent the general public. The
7 member appointed to represent law enforcement agencies may not be a
8 state employee.

9 (c) A person may not be a public member of the board if the
10 person or the person's spouse:

11 (1) is registered, certified, or licensed by the
12 department;

13 (2) is employed by or participates in the management
14 of a business entity or other organization regulated by or
15 receiving money from the department;

16 (3) owns or controls, directly or indirectly, more
17 than a 10 percent interest in a business entity or other
18 organization regulated by or receiving money from the department;
19 or

20 (4) uses or receives a substantial amount of tangible
21 goods, services, or money from the department other than
22 compensation or reimbursement authorized by law for board
23 membership, attendance, or expenses.

24 Sec. 1001.022. TERMS. Members of the board serve staggered
25 six-year terms, with the terms of either one or two members expiring
26 February 1 of each odd-numbered year.

27 Sec. 1001.023. PRESIDING OFFICER OF BOARD. (a) The

1 governor shall designate a member of the board as the presiding
2 officer of the board to serve in that capacity at the pleasure of
3 the governor.

4 (b) The presiding officer shall:

5 (1) preside over board meetings, make rulings on
6 motions and points of order, and determine the order of business;

7 (2) create subcommittees, appoint board members to
8 subcommittees, and receive the reports of subcommittees to the
9 board as a whole; and

10 (3) appoint a member of the board to act in the
11 presiding officer's absence.

12 Sec. 1001.024. BOARD MEETINGS. The board shall hold
13 meetings at least quarterly or at the call of the presiding officer.
14 Board members shall attend the meetings of the board. The presiding
15 officer shall oversee the preparation of an agenda for each meeting
16 and ensure that a copy is provided to each board member at least
17 seven days before the meeting.

18 Sec. 1001.025. COMPENSATION. A member of the board is not
19 entitled to compensation, but each member is entitled to
20 reimbursement for actual and necessary expenses incurred in
21 performing functions as a member of the board as provided by the
22 General Appropriations Act.

23 Sec. 1001.026. GROUNDS FOR REMOVAL. (a) It is a ground for
24 removal from the board that a board member:

25 (1) does not have at the time of taking office the
26 qualifications required by Section 1001.021;

27 (2) does not maintain during service on the board the

1 qualifications required by Section 1001.021;

2 (3) is ineligible for membership under Section
3 1001.021(c), 1001.031, or 1001.043;

4 (4) cannot, because of illness or disability,
5 discharge the member's duties for a substantial part of the member's
6 term; or

7 (5) is absent from more than half of the regularly
8 scheduled board meetings that the member is eligible to attend
9 during a calendar year without an excuse approved by a majority
10 vote of the board.

11 (b) The validity of an action of the board is not affected by
12 the fact that it is taken when a ground for removal of a board member
13 exists.

14 (c) If the executive director of the department has
15 knowledge that a potential ground for removal exists, the executive
16 director shall notify the presiding officer of the board of the
17 potential ground. The presiding officer shall then notify the
18 governor and the attorney general that a potential ground for
19 removal exists. If the potential ground for removal involves the
20 presiding officer, the executive director shall notify the next
21 highest ranking officer of the board, who shall then notify the
22 governor and the attorney general that a potential ground for
23 removal exists.

24 Sec. 1001.027. TRAINING ON DEPARTMENT AND CERTAIN LAWS
25 RELATING TO DEPARTMENT. (a) A person who is appointed to and
26 qualifies for office as a member of the board may not vote,
27 deliberate, or be counted as a member in attendance at a meeting of

1 the board until the person completes a training program that
2 complies with this section.

3 (b) The training program must provide the person with
4 information regarding:

5 (1) the legislation that created the department;

6 (2) the programs, functions, rules, and budget of the
7 department;

8 (3) the results of the most recent formal audit of the
9 department;

10 (4) the requirements of laws relating to open
11 meetings, public information, administrative procedure, and
12 conflicts-of-interest; and

13 (5) any applicable ethics policies adopted by the
14 department or the Texas Ethics Commission.

15 (c) A person appointed to the board is entitled to
16 reimbursement, as provided by the General Appropriations Act, for
17 the travel expenses incurred in attending the training program
18 regardless of whether the attendance at the program occurs before
19 or after the person qualifies for office.

20 Sec. 1001.028. TECHNOLOGICAL SOLUTIONS. The board shall
21 implement a policy requiring the department to use appropriate
22 technological solutions to improve the department's ability to
23 perform its functions. The policy must ensure that the public is
24 able to interact with the department on the Internet.

25 Sec. 1001.029. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE
26 RESOLUTION PROCEDURES. (a) The board shall develop and implement a
27 policy to encourage the use of:

1 (1) negotiated rulemaking procedures under Chapter
2 2008, Government Code, for the adoption of department rules; and

3 (2) appropriate alternative dispute resolution
4 procedures under Chapter 2009, Government Code, to assist in the
5 resolution of internal and external disputes under the department's
6 jurisdiction.

7 (b) The department's procedures relating to alternative
8 dispute resolution must conform, to the extent possible, to any
9 model guidelines issued by the State Office of Administrative
10 Hearings for the use of alternative dispute resolution by state
11 agencies.

12 (c) The board shall designate a trained person to:

13 (1) coordinate the implementation of the policy
14 adopted under Subsection (a);

15 (2) serve as a resource for any training needed to
16 implement the procedures for negotiated rulemaking or alternative
17 dispute resolution; and

18 (3) collect data concerning the effectiveness of those
19 procedures, as implemented by the department.

20 Sec. 1001.030. ADVISORY COMMITTEES. (a) The board shall
21 establish separate advisory committees for the motor carrier, motor
22 vehicles, and vehicle titles and registration divisions to make
23 recommendations to the board or the executive director on the
24 operation of the applicable division. A committee has the
25 purposes, powers, and duties, including the manner of reporting its
26 work, prescribed by the board. A committee and each committee
27 member serves at the will of the board.

1 (b) The board shall appoint persons to each advisory
2 committee who:

3 (1) are selected from a list provided by the executive
4 director; and

5 (2) have knowledge about and interests in, and
6 represent a broad range of viewpoints about, the work of the
7 committee or applicable division.

8 (c) The advisory committee for the motor vehicles division
9 must include a member to represent motor vehicle manufacturers and
10 a member to represent the recreational vehicle industry.

11 (d) The advisory committee for the motor carrier division
12 must include a member to represent the motor transportation
13 industry.

14 (e) A member of an advisory committee may not be compensated
15 by the board or the department for committee service.

16 Sec. 1001.031. CONFLICTS OF INTEREST. (a) In this section,
17 "Texas trade association" means a cooperative and voluntarily
18 joined statewide association of business or professional
19 competitors in this state designed to assist its members and its
20 industry or profession in dealing with mutual business or
21 professional problems and in promoting their common interest.

22 (b) A person may not be a member of the board and may not be a
23 department employee employed in a "bona fide executive,
24 administrative, or professional capacity," as that phrase is used
25 for purposes of establishing an exemption to the overtime
26 provisions of the federal Fair Labor Standards Act of 1938 (29
27 U.S.C. Section 201 et seq.) if:

1 (1) the person is an officer, employee, or paid
2 consultant of a Texas trade association in the field of motor
3 dealers or motor carriers; or

4 (2) the person's spouse is an officer, manager, or paid
5 consultant of a Texas trade association in the motor vehicle or
6 motor carrier industry or of a tax assessor-collector or law
7 enforcement trade association.

8 (c) A person may not be a member of the board or act as the
9 general counsel to the board or the department if the person is
10 required to register as a lobbyist under Chapter 305, Government
11 Code, because of the person's activities for compensation on behalf
12 of a profession related to the operation of the department.

13 Sec. 1001.032. COOPERATION WITH TEXAS DEPARTMENT OF
14 TRANSPORTATION. The board and the Texas Transportation Commission
15 shall establish mutually agreeable procedures to ensure that the
16 Texas Department of Transportation has access to information
17 contained in the electronic database of vehicle titles and
18 registrations as needed for toll operations and other functions of
19 the Texas Department of Transportation.

20 [Sections 1001.033-1001.040 reserved for expansion]

21 SUBCHAPTER C. PERSONNEL

22 Sec. 1001.041. DIVISION OF RESPONSIBILITIES. The board
23 shall develop and implement policies that clearly separate the
24 policymaking responsibilities of the board and the management
25 responsibilities of the executive director and the staff of the
26 department.

27 Sec. 1001.042. APPLICATION OF LAW RELATING TO ETHICAL

1 CONDUCT. The board, the executive director, and each employee or
2 agent of the department is subject to the code of ethics and the
3 standard of conduct imposed by Chapter 572, Government Code, and
4 any other law regulating the ethical conduct of state officers and
5 employees.

6 Sec. 1001.043. LOBBYING ACTIVITIES. A person may not serve
7 as the executive director or act as the general counsel to the
8 department if the person is required to register as a lobbyist under
9 Chapter 305, Government Code, because of the person's activities
10 for compensation on behalf of an occupation related to the
11 operation of the department.

12 CHAPTER 1002. RULES

13 Sec. 1002.001. GENERAL RULEMAKING AUTHORITY. The board may
14 adopt any rules necessary and appropriate to implement the powers
15 and duties of the department under this code and other laws of this
16 state.

17 CHAPTER 1003. PUBLIC ACCESS

18 Sec. 1003.001. PUBLIC COMMENT. The board shall develop and
19 implement policies that provide the public with a reasonable
20 opportunity to appear before the board and to speak on any issue
21 under the jurisdiction of the department.

22 Sec. 1003.002. COMPLAINT PROCEDURES. (a) The department
23 shall maintain a system to promptly and efficiently act on
24 complaints filed with the department. The department shall
25 maintain information about parties to the complaint, the subject
26 matter of the complaint, a summary of the results of the review or
27 investigation of the complaint, and its disposition.

1 (b) The department shall make information available
2 describing its procedures for complaint investigation and
3 resolution.

4 (c) The department shall periodically notify the complaint
5 parties of the status of the complaint until final disposition.

6 ARTICLE 2. TRANSFER OF DUTIES AND FUNCTIONS OF THE TEXAS DEPARTMENT
7 OF TRANSPORTATION

8 PART A. GENERAL PROVISIONS AND ADMINISTRATION

9 SECTION 2A.01. Section 201.202(a), Transportation Code, is
10 amended to read as follows:

11 (a) The commission shall organize the department into
12 divisions to accomplish the department's functions and the duties
13 assigned to it, including divisions for:

- 14 (1) aviation;
15 (2) highways and roads; and
16 (3) public transportation[~~, and~~
17 [~~(4) motor vehicle titles and registration~~].

18 SECTION 2A.02. Section 201.931(2), Transportation Code, is
19 amended to read as follows:

20 (2) "License" includes:

21 (A) a permit issued by the department that
22 authorizes the operation of a vehicle and its load or a combination
23 of vehicles and load exceeding size or weight limitations; and

24 (B) [~~a motor carrier registration issued under~~
25 ~~Chapter 643,~~

26 [~~(C) a vehicle storage facility license issued~~
27 ~~under Chapter 2303, Occupations Code,~~

1 [~~(D)~~] a license or permit for outdoor advertising
2 issued under Chapter 391 or 394[~~+~~
3 [~~(E)~~] ~~a salvage vehicle dealer or agent license~~
4 ~~issued under Chapter 2302, Occupations Code,~~
5 [~~(F)~~] ~~specially designated or specialized license~~
6 ~~plates issued under Subchapters E and F, Chapter 502; and~~
7 [~~(G)~~] ~~an apportioned registration issued~~
8 ~~according to the International Registration Plan under Section~~
9 ~~502.054].~~

10 SECTION 2A.03. Section 222.001, Transportation Code, is
11 amended to read as follows:

12 Sec. 222.001. USE OF STATE HIGHWAY FUND. (a) Money that is
13 required to be used for public roadways by the Texas Constitution or
14 federal law and that is deposited in the state treasury to the
15 credit of the state highway fund, including money deposited to the
16 credit of the state highway fund under Title 23, United States Code,
17 may be used only:

- 18 (1) to improve the state highway system;
19 (2) to mitigate adverse environmental effects that
20 result directly from construction or maintenance of a state highway
21 by the department; or
22 (3) by the Department of Public Safety to police the
23 state highway system and to administer state laws relating to
24 traffic and safety on public roads.

25 (b) For any state fiscal year, the Texas Department of Motor
26 Vehicles may not be appropriated more than \$100 million from money
27 in the state highway fund.

1 PART B. STATE HIGHWAY TOLL PROJECTS

2 SECTION 2B.01. Sections 228.055(b) and (h), Transportation
3 Code, are amended to read as follows:

4 (b) The department may impose and collect the
5 administrative fee, so as to recover the cost of collecting the
6 unpaid toll, not to exceed \$100. The department shall send a
7 written notice of nonpayment to the registered owner of the vehicle
8 at that owner's address as shown in the vehicle registration
9 records of the Texas Department of Motor Vehicles [~~department~~] by
10 first class mail and may require payment not sooner than the 30th
11 day after the date the notice was mailed. The registered owner
12 shall pay a separate toll and administrative fee for each event of
13 nonpayment under Section 228.054.

14 (h) In this section, "registered owner" means the owner of a
15 vehicle as shown on the vehicle registration records of the Texas
16 Department of Motor Vehicles [~~department~~] or the analogous
17 department or agency of another state or country.

18 SECTION 2B.02. Section 228.056(b), Transportation Code, is
19 amended to read as follows:

20 (b) In the prosecution of an offense under Section
21 228.055(c), (d), or (e):

22 (1) it is presumed that the notice of nonpayment was
23 received on the fifth day after the date of mailing;

24 (2) a computer record of the Texas Department of Motor
25 Vehicles [~~department~~] of the registered owner of the vehicle is
26 prima facie evidence of its contents and that the defendant was the
27 registered owner of the vehicle when the underlying event of

1 nonpayment under Section 228.054 occurred; and

2 (3) a copy of the rental, lease, or other contract
3 document covering the vehicle on the date of the underlying event of
4 nonpayment under Section 228.054 is prima facie evidence of its
5 contents and that the defendant was the lessee of the vehicle when
6 the underlying event of nonpayment under Section 228.054 occurred.

7 PART C. CAUSEWAYS, BRIDGES, TUNNELS, TURNPIKES, FERRIES, AND
8 HIGHWAYS IN CERTAIN COUNTIES

9 SECTION 2C.01. Sections 284.0701(b), (e), and (h),
10 Transportation Code, are amended to read as follows:

11 (b) The county may impose and collect the administrative
12 cost so as to recover the expense of collecting the unpaid toll, not
13 to exceed \$100. The county shall send a written notice of
14 nonpayment to the registered owner of the vehicle at that owner's
15 address as shown in the vehicle registration records of the Texas
16 Department of Motor Vehicles [~~department~~] by first-class mail not
17 later than the 30th day after the date of the alleged failure to pay
18 and may require payment not sooner than the 30th day after the date
19 the notice was mailed. The registered owner shall pay a separate
20 toll and administrative cost for each event of nonpayment under
21 Section 284.070.

22 (e) It is an exception to the application of Subsection (a)
23 or (c) if the registered owner of the vehicle transferred ownership
24 of the vehicle to another person before the event of nonpayment
25 under Section 284.070 occurred, submitted written notice of the
26 transfer to the Texas Department of Motor Vehicles [~~department~~] in
27 accordance with Section 520.023, and before the 30th day after the

1 date the notice of nonpayment is mailed, provides to the county the
2 name and address of the person to whom the vehicle was transferred.
3 If the former owner of the vehicle provides the required
4 information within the period prescribed, the county may send a
5 notice of nonpayment to the person to whom ownership of the vehicle
6 was transferred at the address provided by the former owner by
7 first-class mail before the 30th day after the date of receipt of
8 the required information from the former owner. The subsequent
9 owner of the vehicle for which the proper toll was not paid who is
10 mailed a written notice of nonpayment under this subsection and
11 fails to pay the proper toll and administrative cost within the time
12 specified by the notice of nonpayment commits an offense. The
13 subsequent owner shall pay a separate toll and administrative cost
14 for each event of nonpayment under Section 284.070. Each failure to
15 pay a toll or administrative cost under this subsection is a
16 separate offense.

17 (h) In this section, "registered owner" means the owner of a
18 vehicle as shown on the vehicle registration records of the Texas
19 Department of Motor Vehicles [~~department~~] or the analogous
20 department or agency of another state or country.

21 PART D. CERTIFICATE OF TITLE ACT

22 SECTION 2D.01. Section 501.002(3), Transportation Code, is
23 amended to read as follows:

24 (3) "Department" means the Texas Department of Motor
25 Vehicles [~~Transportation~~].

26 SECTION 2D.02. Section 501.091, Transportation Code, is
27 amended by amending Subdivision (17) and adding Subdivision (20) to

1 read as follows:

2 (17) "Salvage vehicle dealer" means a person engaged
3 in this state in the business of acquiring, selling, [~~dismantling,~~
4 repairing, rebuilding, reconstructing, or otherwise dealing in
5 nonrepairable motor vehicles or [~~7~~] salvage motor vehicles[~~, or~~
6 ~~used parts~~]. The term does not include a person who casually
7 repairs, rebuilds, or reconstructs fewer than five [~~three~~] salvage
8 motor vehicles in the same calendar year or a person who deals in
9 used automotive parts. The term includes a person engaged in the
10 business of:

11 (A) a salvage vehicle dealer, regardless of
12 whether the person holds a license issued by the department to
13 engage in that business; or

14 (B) dealing in nonrepairable motor vehicles or
15 salvage motor vehicles[~~, regardless of whether the person deals in~~
16 ~~used parts; or~~

17 [~~(C) dealing in used parts regardless of whether~~
18 ~~the person deals in nonrepairable motor vehicles or salvage motor~~
19 ~~vehicles~~].

20 (20) "Used parts dealer" and "used automotive parts
21 recycler" have the meaning assigned to "used automotive parts
22 recycler" by Section 2309.002, Occupations Code.

23 SECTION 2D.03. Section 501.092(d), Transportation Code, is
24 amended to read as follows:

25 (d) An insurance company may sell a motor vehicle to which
26 this section applies, or assign a salvage vehicle title or a
27 nonrepairable vehicle title for the motor vehicle, only to a

1 salvage vehicle dealer, an out-of-state buyer, a buyer in a casual
2 sale at auction, ~~or~~ a metal recycler, or a used automotive parts
3 recycler. If the motor vehicle is not a salvage motor vehicle or a
4 nonrepairable motor vehicle, the insurance company is not required
5 to surrender the regular certificate of title for the vehicle or to
6 be issued a salvage vehicle title or a nonrepairable vehicle title
7 for the motor vehicle.

8 SECTION 2D.04. Sections 501.095(a) and (b), Transportation
9 Code, are amended to read as follows:

10 (a) If the department has not issued a nonrepairable vehicle
11 title or salvage vehicle title for the motor vehicle and an
12 out-of-state ownership document for the motor vehicle has not been
13 issued by another state or jurisdiction, a business or governmental
14 entity described by Subdivisions (1)-(3) may sell, transfer, or
15 release a nonrepairable motor vehicle or salvage motor vehicle only
16 to a person who is:

17 (1) a licensed salvage vehicle dealer, a used
18 automotive parts recycler under Chapter 2309, Occupations Code, or
19 a metal recycler under Chapter 2302, Occupations Code;

20 (2) an insurance company that has paid a claim on the
21 nonrepairable or salvage motor vehicle;

22 (3) a governmental entity; or

23 (4) an out-of-state buyer.

24 (b) A person, other than a salvage vehicle dealer, a used
25 automotive parts recycler, or an insurance company licensed to do
26 business in this state, who acquired ownership of a nonrepairable
27 or salvage motor vehicle that has not been issued a nonrepairable

1 vehicle title, salvage vehicle title, or a comparable ownership
2 document issued by another state or jurisdiction shall, before
3 selling the motor vehicle, surrender the properly assigned
4 certificate of title for the motor vehicle to the department and
5 apply to the department for:

6 (1) a nonrepairable vehicle title if the vehicle is a
7 nonrepairable motor vehicle; or

8 (2) a salvage vehicle title if the vehicle is a salvage
9 motor vehicle.

10 SECTION 2D.05. Section 501.105, Transportation Code, is
11 amended to read as follows:

12 Sec. 501.105. RETENTION OF RECORDS RELATING TO CERTAIN
13 CASUAL SALES. Each licensed salvage vehicle dealer, used
14 automotive parts recycler, or insurance company that sells a
15 nonrepairable motor vehicle or a salvage motor vehicle at a casual
16 sale shall keep on the business premises of the dealer or the
17 insurance company a list of all casual sales made during the
18 preceding 36-month period that contains:

19 (1) the date of the sale;

20 (2) the name of the purchaser;

21 (3) the name of the jurisdiction that issued the
22 identification document provided by the purchaser, as shown on the
23 document; and

24 (4) the vehicle identification number.

25 PART E. REGISTRATION OF VEHICLES

26 SECTION 2E.01. Section 502.001(3), Transportation Code, is
27 amended to read as follows:

1 (3) "Department" means the Texas Department of Motor
2 Vehicles [~~Transportation~~].

3 SECTION 2E.02. Sections 502.053(a) and (b), Transportation
4 Code, are amended to read as follows:

5 (a) The department [~~Texas Department of Transportation~~]
6 shall reimburse the Texas Department of Criminal Justice for the
7 cost of manufacturing license plates or registration insignia as
8 the license plates or insignia and the invoice for the license
9 plates or insignia are delivered to the department [~~Texas~~
10 ~~Department of Transportation~~].

11 (b) When manufacturing is started, the Texas Department of
12 Criminal Justice, the department [~~Texas Department of~~
13 ~~Transportation~~], and the comptroller, after negotiation, shall set
14 the price to be paid for each license plate or insignia. The price
15 must be determined from:

- 16 (1) the cost of metal, paint, and other materials
17 purchased;
- 18 (2) the inmate maintenance cost per day;
- 19 (3) overhead expenses;
- 20 (4) miscellaneous charges; and
- 21 (5) a previously approved amount of profit for the
22 work.

23 SECTION 2E.03. Section 504.401(c), Transportation Code, is
24 amended to read as follows:

25 (c) The license plates remain valid until December 31 of the
26 [each] year in which the person to whom the plates were issued
27 ceases to be a state official.

1 SECTION 2E.04. The heading to Section 504.401,
2 Transportation Code, is amended to read as follows:

3 Sec. 504.401. STATE OFFICIALS: EXECUTIVE AND LEGISLATIVE
4 BRANCHES.

5 SECTION 2E.05. Sections 504.401(b) and (d), Transportation
6 Code, are amended to read as follows:

7 (b) A state official may be issued four [~~three~~] sets of
8 license plates under this section.

9 (d) In this section, "state official" means:

- 10 (1) a member of the legislature;
- 11 (2) the governor;
- 12 (3) the lieutenant governor;
- 13 (4) [~~a justice of the supreme court,~~
- 14 [~~(5) a judge of the court of criminal appeals,~~
- 15 [~~(6)~~] the attorney general;
- 16 (5) [~~(7)~~] the commissioner of the General Land Office;
- 17 (6) [~~(8)~~] the comptroller;
- 18 (7) [~~(9)~~] a member of the Railroad Commission of
19 Texas;
- 20 (8) [~~(10)~~] the commissioner of agriculture;
- 21 (9) [~~(11)~~] the secretary of state; or
- 22 (10) [~~(12)~~] a member of the State Board of Education.

23 SECTION 2E.06. The heading to Section 504.402,
24 Transportation Code, is amended to read as follows:

25 Sec. 504.402. FEDERAL OFFICIALS: LEGISLATIVE BRANCH
26 [~~MEMBERS OF CONGRESS~~].

27 SECTION 2E.07. Section 504.402(b), Transportation Code, is

1 amended to read as follows:

2 (b) A person may be issued four [~~three~~] sets of license
3 plates under this section.

4 SECTION 2E.08. The heading to Section 504.403,
5 Transportation Code, is amended to read as follows:

6 Sec. 504.403. STATE OFFICIALS: JUDICIAL BRANCH [~~AND FEDERAL~~
7 ~~JUDGES~~].

8 SECTION 2E.09. Sections 504.403(a) and (d), Transportation
9 Code, are amended to read as follows:

10 (a) The department shall issue without charge specialty
11 license plates for a current [~~or visiting~~] state [~~or federal~~]
12 judge. The license plates must include the words "State Judge" [~~or~~
13 ~~"U.S. Judge," as appropriate~~].

14 (d) In this section, [~~+~~

15 [~~(1) "Federal judge" means:~~

16 [~~(A) a judge of the Fifth Circuit Court of~~
17 ~~Appeals;~~

18 [~~(B) a judge or magistrate of a United States~~
19 ~~district court; or~~

20 [~~(C) a judge of a United States bankruptcy court.~~

21 [~~(2)~~] "state [~~State~~] judge" means:

22 (1) [~~(A)~~] a justice of the supreme court;

23 (2) [~~(B)~~] a judge of the court of criminal appeals;

24 (3) [~~(C)~~] a judge of a court of appeals;

25 (4) [~~(D)~~] a district court judge;

26 (5) [~~(E)~~] a presiding judge of an administrative
27 judicial district; or

1 (6) [~~(F)~~] a statutory county court judge.

2 SECTION 2E.10. Subchapter E, Chapter 504, Transportation
3 Code, is amended by adding Section 504.4031 to read as follows:

4 Sec. 504.4031. FEDERAL OFFICIALS: JUDICIAL BRANCH. (a)
5 The department shall issue without charge specialty license plates
6 for a current federal judge. The license plates must include the
7 words "U.S. Judge."

8 (b) A person may be issued three sets of plates under this
9 section.

10 (c) The license plates remain valid until December 31 of
11 each year.

12 (d) In this section, "federal judge" means:

13 (1) a justice of the United States Supreme Court whose
14 primary residence is in Texas;

15 (2) a judge of the Fifth Circuit Court of Appeals; or

16 (3) a judge of a United States District Court.

17 SECTION 2E.11. (a) Subchapter G, Chapter 504,
18 Transportation Code, is amended by adding Section 504.659 to read
19 as follows:

20 Sec. 504.659. CHOOSE LIFE LICENSE PLATES AND CHOOSE
21 ADOPTION LICENSE PLATES. (a) The department shall issue specially
22 designed license plates that include the words "Choose Life" and
23 "Choose Adoption." The department shall design the license plates
24 in consultation with the attorney general.

25 (b) After deduction of the department's administrative
26 costs, the department shall deposit the remainder of the fee for
27 issuance of license plates under this section in the state treasury

1 to the credit of the Choose Life and Choose Adoption account
2 established by Section 402.035, Government Code.

3 (b) Subchapter B, Chapter 402, Government Code, is amended
4 by adding Sections 402.035 and 402.036 to read as follows:

5 Sec. 402.035. CHOOSE LIFE AND CHOOSE ADOPTION ACCOUNT.

6 (a) The Choose Life and Choose Adoption account is a separate
7 account in the general revenue fund. The account is composed of:

8 (1) money deposited to the credit of the account under
9 Section 504.659, Transportation Code; and

10 (2) gifts, grants, donations, and legislative
11 appropriations.

12 (b) The attorney general administers the Choose Life and
13 Choose Adoption account. The attorney general may spend money
14 credited to the account only to:

15 (1) make grants to an eligible organization; and

16 (2) defray the cost of administering the account.

17 (c) The attorney general may not discriminate against an
18 eligible organization because it is a religious or nonreligious
19 organization.

20 (d) The attorney general may accept gifts, donations, and
21 grants from any source for the benefit of the account.

22 (e) The attorney general by rule shall establish:

23 (1) guidelines for the expenditure of money credited
24 to the Choose Life and Choose Adoption account; and

25 (2) reporting and other mechanisms necessary to ensure
26 that the money is spent in accordance with this section.

27 (f) Money received by an eligible organization under this

1 section may be spent only to provide for the material needs of
2 pregnant women who are considering placing their children for
3 adoption, including the provision of clothing, housing, prenatal
4 care, food, utilities, and transportation, to provide for the needs
5 of infants who are awaiting placement with adoptive parents, to
6 provide training and advertising relating to adoption, and to
7 provide pregnancy testing or preadoption or postadoption
8 counseling, but may not be used to pay an administrative, legal, or
9 capital expense.

10 (g) In this section, "eligible organization" means an
11 organization in this state that:

12 (1) qualifies as a charitable organization under
13 Section 501(c)(3), Internal Revenue Code of 1986;

14 (2) provides counseling and material assistance to
15 pregnant women who are considering placing their children for
16 adoption;

17 (3) does not charge for services provided;

18 (4) does not provide abortions or abortion-related
19 services or make referrals to abortion providers;

20 (5) is not affiliated with an organization that
21 provides abortions or abortion-related services or makes referrals
22 to abortion providers; and

23 (6) does not contract with an organization that
24 provides abortions or abortion-related services or makes referrals
25 to abortion providers.

26 Sec. 402.036. CHOOSE LIFE AND CHOOSE ADOPTION ADVISORY
27 COMMITTEE. (a) The attorney general shall appoint a seven-member

1 Choose Life and Choose Adoption advisory committee.

2 (b) The committee shall:

3 (1) meet at least twice a year or as called by the
4 attorney general;

5 (2) assist the attorney general in developing rules
6 under Section 402.035(e); and

7 (3) review and make recommendations to the attorney
8 general on applications submitted to the attorney general for
9 grants funded with money credited to the Choose Life and Choose
10 Adoption account.

11 (c) Members of the committee serve without compensation and
12 are not entitled to reimbursement for expenses. Each member serves
13 a term of four years, with the terms of three or four members
14 expiring on January 31 of each odd-numbered year.

15 PART F. DEALER'S AND MANUFACTURER'S VEHICLE LICENSE PLATES

16 SECTION 2F.01. Sections 503.001(2) and (5), Transportation
17 Code, are amended to read as follows:

18 (2) "Commission" means the board of the Texas
19 Department of Motor Vehicles [~~Texas Transportation Commission~~].

20 (5) "Department" means the Texas Department of Motor
21 Vehicles [~~Transportation~~].

22 PART G. MISCELLANEOUS PROVISIONS

23 SECTION 2G.01. Section 520.001, Transportation Code, is
24 amended to read as follows:

25 Sec. 520.001. DEFINITION. In this chapter, "department"
26 means the Texas Department of Motor Vehicles [~~Transportation~~].

1 PART H. OPERATION OF BICYCLES, MOPEDS, AND PLAY VEHICLES

2 SECTION 2H.01. Section 551.302, Transportation Code, is
3 amended to read as follows:

4 Sec. 551.302. REGISTRATION. The Texas Department of Motor
5 Vehicles [~~Transportation~~] may adopt rules relating to the
6 registration and issuance of license plates to neighborhood
7 electric vehicles.

8 PART I. MOTOR VEHICLE SAFETY RESPONSIBILITY ACT

9 SECTION 2I.01. Section 601.023, Transportation Code, is
10 amended to read as follows:

11 Sec. 601.023. PAYMENT OF STATUTORY FEES. The department
12 may pay:

13 (1) a statutory fee required by the Texas Department
14 of Motor Vehicles [~~Transportation~~] for a certified abstract or in
15 connection with suspension of a vehicle registration; or

16 (2) a statutory fee payable to the comptroller for
17 issuance of a certificate of deposit required by Section 601.122.

18 SECTION 2I.02. Section 601.451, Transportation Code, as
19 added by Chapter 892 (S.B. 1670), Acts of the 79th Legislature,
20 Regular Session, 2005, is amended to read as follows:

21 Sec. 601.451. DEFINITION. In this subchapter,
22 "implementing agencies" means:

23 (1) the department;

24 (2) the Texas Department of Motor Vehicles
25 [~~Transportation~~];

26 (3) the Texas Department of Insurance; and

27 (4) the Department of Information Resources.

1 SECTION 2I.03. Subchapter N, Chapter 601, Transportation
2 Code, as added by Chapter 1325 (H.B. 3588), Acts of the 78th
3 Legislature, Regular Session, 2003, is repealed.

4 PART J. IDENTIFYING MARKINGS ON CERTAIN COMMERCIAL MOTOR VEHICLES

5 SECTION 2J.01. Section 642.002(d), Transportation Code, is
6 amended to read as follows:

7 (d) The Texas Department of Motor Vehicles [~~Transportation~~]
8 by rule may prescribe additional requirements regarding the form of
9 the markings required by Subsection (a)(2) that are not
10 inconsistent with that subsection.

11 PART K. MOTOR CARRIER REGISTRATION

12 SECTION 2K.01. Section 643.001(1), Transportation Code, is
13 amended to read as follows:

14 (1) "Department" means the Texas Department of Motor
15 Vehicles [~~Transportation~~].

16 PART L. SINGLE STATE REGISTRATION

17 SECTION 2L.01. Section 645.001, Transportation Code, is
18 amended to read as follows:

19 Sec. 645.001. FEDERAL MOTOR CARRIER REGISTRATION. The
20 Texas Department of Motor Vehicles [~~Transportation~~] may, to the
21 fullest extent practicable, participate in a federal motor carrier
22 registration program under the unified carrier registration system
23 as defined by Section 643.001 or a [~~the~~] single state registration
24 system established under federal law [~~49 U.S.C. Section 14504~~].

25 PART M. MOTOR TRANSPORTATION BROKERS

26 SECTION 2M.01. Section 646.003(a), Transportation Code, is
27 amended to read as follows:

1 (a) A person may not act as a motor transportation broker
2 unless the person provides a bond to the Texas Department of Motor
3 Vehicles [~~Transportation~~].

4 PART N. FOREIGN COMMERCIAL MOTOR TRANSPORTATION

5 SECTION 2N.01. Section 648.002, Transportation Code, is
6 amended to read as follows:

7 Sec. 648.002. RULES. In addition to rules required by this
8 chapter, the Texas Department of Motor Vehicles [~~Transportation~~],
9 the Department of Public Safety, and the Texas Department of
10 Insurance may adopt other rules to carry out this chapter.

11 PART O. ABANDONED MOTOR VEHICLES

12 SECTION 2O.01. Section 683.001(1), Transportation Code, is
13 amended to read as follows:

14 (1) "Department" means the Texas Department of Motor
15 Vehicles [~~Transportation~~].

16 PART P. CONTRACTS FOR ENFORCEMENT OF CERTAIN ARREST WARRANTS

17 SECTION 2P.01. Section 702.001(1), Transportation Code, is
18 amended to read as follows:

19 (1) "Department" means the Texas Department of Motor
20 Vehicles [~~Transportation~~].

21 PART Q. PHOTOGRAPHIC TRAFFIC SIGNAL ENFORCEMENT SYSTEM

22 SECTION 2Q.01. Section 707.001(2), Transportation Code, is
23 amended to read as follows:

24 (2) "Owner of a motor vehicle" means the owner of a
25 motor vehicle as shown on the motor vehicle registration records of
26 the Texas Department of Motor Vehicles [~~Transportation~~] or the
27 analogous department or agency of another state or country.

1 SECTION 2Q.02. Section 707.011(b), Transportation Code, is
2 amended to read as follows:

3 (b) Not later than the 30th day after the date the violation
4 is alleged to have occurred, the designated department, agency, or
5 office of the local authority or the entity with which the local
6 authority contracts under Section 707.003(a)(1) shall mail the
7 notice of violation to the owner at:

8 (1) the owner's address as shown on the registration
9 records of the Texas Department of Motor Vehicles [~~Transportation~~];
10 or

11 (2) if the vehicle is registered in another state or
12 country, the owner's address as shown on the motor vehicle
13 registration records of the department or agency of the other state
14 or country analogous to the Texas Department of Motor Vehicles
15 [~~Transportation~~].

16 SECTION 2Q.03. Section 707.017, Transportation Code, is
17 amended to read as follows:

18 Sec. 707.017. ENFORCEMENT. If the owner of a motor vehicle
19 is delinquent in the payment of a civil penalty imposed under this
20 chapter, the county assessor-collector or the Texas Department of
21 Motor Vehicles [~~Transportation~~] may refuse to register a motor
22 vehicle alleged to have been involved in the violation.

23 PART R. AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

24 SECTION 2R.01. Section 1(3), Article 4413(37), Revised
25 Statutes, is amended to read as follows:

26 (3) "Department" means the Texas Department of Motor
27 Vehicles [~~Transportation~~].

1 SECTION 2R.02. Section 2, Article 4413(37), Revised
2 Statutes, is amended to read as follows:

3 Sec. 2. The Automobile Burglary and Theft Prevention
4 Authority is a division [~~established~~] in the Texas Department of
5 Motor Vehicles [~~Transportation~~]. [~~The authority is not an advisory~~
6 ~~body to the Texas Department of Transportation.~~]

7 SECTION 2R.03. Section 6, Article 4413(37), Revised
8 Statutes, is amended by adding Subsections (j) and (k) to read as
9 follows:

10 (j) In addition to any report required under Subsection (i),
11 each year the authority shall prepare and submit an annual
12 financial report in the form and manner required of a state agency
13 by Section 2101.011, Government Code.

14 (k) The authority may not make a grant of appropriated funds
15 unless the grant application is submitted to and approved by the
16 governor, or a person in the office of the governor designated by
17 the governor.

18 SECTION 2R.04. Section 8, Article 4413(37), Revised
19 Statutes, is amended by adding Subsections (d) and (e) to read as
20 follows:

21 (d) Money received by the authority under this article shall
22 be sent to the comptroller for deposit in a separate account in the
23 treasury.

24 (e) As part of the appropriation process the legislature
25 shall determine and in the General Appropriations Act the
26 legislature shall specify the amount of money the authority may use
27 to make grants or provide financial assistance under this article

1 during each of the state fiscal years covered by the General
2 Appropriations Act.

3 ARTICLE 3. CONFORMING AMENDMENTS PERTAINING TO TEXAS DEPARTMENT OF
4 TRANSPORTATION IN OTHER CODES

5 PART A. BUSINESS & COMMERCE CODE

6 SECTION 3A.01. Section 51.003(b), Business & Commerce Code,
7 as effective April 1, 2009, is amended to read as follows:

8 (b) In this chapter, "business opportunity" does not
9 include:

10 (1) the sale or lease of an established and ongoing
11 business or enterprise that has actively conducted business before
12 the sale or lease, whether composed of one or more than one
13 component business or enterprise, if the sale or lease represents
14 an isolated transaction or series of transactions involving a bona
15 fide change of ownership or control of the business or enterprise or
16 liquidation of the business or enterprise;

17 (2) a sale by a retailer of goods or services under a
18 contract or other agreement to sell the inventory of one or more
19 ongoing leased departments to a purchaser who is granted the right
20 to sell the goods or services within or adjoining a retail business
21 establishment as a department or division of the retail business
22 establishment;

23 (3) a transaction that is:

24 (A) regulated by the Texas Department of
25 Licensing and Regulation, the Texas Department of Insurance, the
26 Texas Real Estate Commission, or the director of the Motor Vehicle
27 Division of the Texas Department of Motor Vehicles

1 [~~Transportation~~]; and

2 (B) engaged in by a person licensed by one of
3 those agencies;

4 (4) a real estate syndication;

5 (5) a sale or lease to a business enterprise that also
6 sells or leases products, equipment, or supplies or performs
7 services:

8 (A) that are not supplied by the seller; and

9 (B) that the purchaser does not use with the
10 seller's products, equipment, supplies, or services;

11 (6) the offer or sale of a franchise as described by
12 the Petroleum Marketing Practices Act (15 U.S.C. Section 2801 et
13 seq.) and its subsequent amendments;

14 (7) the offer or sale of a business opportunity if the
15 seller:

16 (A) has a net worth of \$25 million or more
17 according to the seller's audited balance sheet as of a date not
18 earlier than the 13th month before the date of the transaction; or

19 (B) is at least 80 percent owned by another
20 person who:

21 (i) in writing unconditionally guarantees
22 performance by the person offering the business opportunity plan;
23 and

24 (ii) has a net worth of more than \$25
25 million according to the person's most recent audited balance sheet
26 as of a date not earlier than the 13th month before the date of the
27 transaction; or

1 (8) an arrangement defined as a franchise by 16 C.F.R.
2 Section 436.2(a) and its subsequent amendments if:

3 (A) the franchisor complies in all material
4 respects in this state with 16 C.F.R. Part 436 and each order or
5 other action of the Federal Trade Commission; and

6 (B) before offering for sale or selling a
7 franchise in this state, a person files with the secretary of state
8 a notice containing:

9 (i) the name of the franchisor;

10 (ii) the name under which the franchisor
11 intends to transact business; and

12 (iii) the franchisor's principal business
13 address.

14 SECTION 3A.02. Section 105.004(b), Business & Commerce
15 Code, as effective April 1, 2009, is amended to read as follows:

16 (b) The Texas Department of Motor Vehicles [~~Transportation~~]
17 shall provide a notice that states the provisions of this chapter to
18 each person with a disability who is issued:

19 (1) license plates under Section 504.201,
20 Transportation Code; or

21 (2) a disabled parking placard under Section 681.004,
22 Transportation Code.

23 PART B. CODE OF CRIMINAL PROCEDURE

24 SECTION 3B.01. Section 1(1), Article 42.22, Code of
25 Criminal Procedure, is amended to read as follows:

26 (1) "Department" means the Texas Department of Motor
27 Vehicles [~~Transportation~~].

1 SECTION 3B.02. Article 59.04(c), Code of Criminal
2 Procedure, is amended to read as follows:

3 (c) If the property is a motor vehicle, and if there is
4 reasonable cause to believe that the vehicle has been registered
5 under the laws of this state, the attorney representing the state
6 shall ask the Texas Department of Motor Vehicles [~~Transportation~~]
7 to identify from its records the record owner of the vehicle and any
8 interest holder. If the addresses of the owner and interest holder
9 are not otherwise known, the attorney representing the state shall
10 request citation be served on such persons at the address listed
11 with the Texas Department of Motor Vehicles [~~Transportation~~]. If
12 the citation issued to such address is returned unserved, the
13 attorney representing the state shall cause a copy of the notice of
14 the seizure and intended forfeiture to be posted at the courthouse
15 door, to remain there for a period of not less than 30 days. If the
16 owner or interest holder does not answer or appear after the notice
17 has been so posted, the court shall enter a judgment by default as
18 to the owner or interest holder, provided that the attorney
19 representing the state files a written motion supported by
20 affidavit setting forth the attempted service. An owner or
21 interest holder whose interest is forfeited in this manner shall
22 not be liable for court costs. If the person in possession of the
23 vehicle at the time of the seizure is not the owner or the interest
24 holder of the vehicle, notification shall be provided to the
25 possessor in the same manner specified for notification to an owner
26 or interest holder.

PART C. FAMILY CODE

SECTION 3C.01. Section 157.316(b), Family Code, is amended to read as follows:

(b) If a lien established under this subchapter attaches to a motor vehicle, the lien must be perfected in the manner provided by Chapter 501, Transportation Code, and the court or Title IV-D agency that rendered the order of child support shall include in the order a requirement that the obligor surrender to the court or Title IV-D agency evidence of the legal ownership of the motor vehicle against which the lien may attach. A lien against a motor vehicle under this subchapter is not perfected until the obligor's title to the vehicle has been surrendered to the court or Title IV-D agency and the Texas Department of Motor Vehicles [~~Transportation~~] has issued a subsequent title that discloses on its face the fact that the vehicle is subject to a child support lien under this subchapter.

SECTION 3C.02. Section 232.0022(a), Family Code, is amended to read as follows:

(a) The Texas Department of Motor Vehicles [~~Transportation~~] is the appropriate licensing authority for suspension or nonrenewal of a motor vehicle registration under this chapter.

SECTION 3C.03. Section 232.014(b), Family Code, is amended to read as follows:

(b) A fee collected by the Texas Department of Motor Vehicles [~~Transportation~~] or the Department of Public Safety shall be deposited to the credit of the state highway fund.

SECTION 3C.04. Section 264.502(b), Family Code, is amended

1 to read as follows:

2 (b) The members of the committee who serve under Subsections
3 (a)(1) through (3) shall select the following additional committee
4 members:

5 (1) a criminal prosecutor involved in prosecuting
6 crimes against children;

7 (2) a sheriff;

8 (3) a justice of the peace;

9 (4) a medical examiner;

10 (5) a police chief;

11 (6) a pediatrician experienced in diagnosing and
12 treating child abuse and neglect;

13 (7) a child educator;

14 (8) a child mental health provider;

15 (9) a public health professional;

16 (10) a child protective services specialist;

17 (11) a sudden infant death syndrome family service
18 provider;

19 (12) a neonatologist;

20 (13) a child advocate;

21 (14) a chief juvenile probation officer;

22 (15) a child abuse prevention specialist;

23 (16) a representative of the Department of Public
24 Safety; and

25 (17) a representative of the Texas Department of Motor
26 Vehicles [~~Transportation~~].

PART D. FINANCE CODE

SECTION 3D.01. Section 306.001(9), Finance Code, is amended to read as follows:

(9) "Qualified commercial loan":

(A) means:

(i) a commercial loan in which one or more persons as part of the same transaction lends, advances, borrows, or receives, or is obligated to lend or advance or entitled to borrow or receive, money or credit with an aggregate value of:

(a) \$3 million or more if the commercial loan is secured by real property; or

(b) \$250,000 or more if the commercial loan is not secured by real property and, if the aggregate value of the commercial loan is less than \$500,000, the loan documents contain a written certification from the borrower that:

(1) the borrower has been advised by the lender to seek the advice of an attorney and an accountant in connection with the commercial loan; and

(2) the borrower has had the opportunity to seek the advice of an attorney and accountant of the borrower's choice in connection with the commercial loan; and

(ii) a renewal or extension of a commercial loan described by Subparagraph (i) [~~Paragraph (A)~~], regardless of the principal amount of the loan at the time of the renewal or extension; and

(B) does not include a commercial loan made for the purpose of financing a business licensed by the Motor Vehicle

1 Board of the Texas Department of Motor Vehicles [~~Transportation~~]
2 under Section 2301.251(a), Occupations Code.

3 SECTION 3D.02. Section 348.001(10-a), Finance Code, is
4 amended to read as follows:

5 (10-a) "Towable recreation vehicle" means a
6 nonmotorized vehicle that:

7 (A) was originally designed and manufactured
8 primarily to provide temporary human habitation in conjunction with
9 recreational, camping, or seasonal use;

10 (B) is titled and registered with the Texas
11 Department of Motor Vehicles [~~Transportation~~] as a travel trailer
12 through a county tax assessor-collector;

13 (C) is permanently built on a single chassis;

14 (D) contains at least one life support system;

15 and

16 (E) is designed to be towable by a motor vehicle.

17 SECTION 3D.03. Section 348.518, Finance Code, is amended to
18 read as follows:

19 Sec. 348.518. SHARING OF INFORMATION. To ensure consistent
20 enforcement of law and minimization of regulatory burdens, the
21 commissioner and the Texas Department of Motor Vehicles
22 [~~Transportation~~] may share information, including criminal history
23 information, relating to a person licensed under this chapter.
24 Information otherwise confidential remains confidential after it
25 is shared under this section.

26 PART E. GOVERNMENT CODE

27 SECTION 3E.01. Section 411.122(d), Government Code, is

1 amended to read as follows:

2 (d) The following state agencies are subject to this
3 section:

4 (1) Texas Appraiser Licensing and Certification
5 Board;

6 (2) Texas Board of Architectural Examiners;

7 (3) Texas Board of Chiropractic Examiners;

8 (4) State Board of Dental Examiners;

9 (5) Texas Board of Professional Engineers;

10 (6) Texas Funeral Service Commission;

11 (7) Texas Board of Professional Geoscientists;

12 (8) Department of State Health Services, except as
13 provided by Section 411.110, and agencies attached to the
14 department, including:

15 (A) Texas State Board of Examiners of Dietitians;

16 (B) Texas State Board of Examiners of Marriage
17 and Family Therapists;

18 (C) Midwifery Board;

19 (D) Texas State Perfusionist Advisory Committee
20 [~~Board of Examiners of Perfusionists~~];

21 (E) Texas State Board of Examiners of
22 Professional Counselors;

23 (F) Texas State Board of Social Worker Examiners;

24 (G) State Board of Examiners for Speech-Language
25 Pathology and Audiology;

26 (H) Advisory Board of Athletic Trainers;

27 (I) State Committee of Examiners in the Fitting

1 and Dispensing of Hearing Instruments;
2 (J) Texas Board of Licensure for Professional
3 Medical Physicists; and
4 (K) Texas Board of Orthotics and Prosthetics;
5 (9) Texas Board of Professional Land Surveying;
6 (10) Texas Department of Licensing and Regulation,
7 except as provided by Section 411.093;
8 (11) Texas Commission on Environmental Quality;
9 (12) Texas Board of Occupational Therapy Examiners;
10 (13) Texas Optometry Board;
11 (14) Texas State Board of Pharmacy;
12 (15) Texas Board of Physical Therapy Examiners;
13 (16) Texas State Board of Plumbing Examiners;
14 (17) Texas State Board of Podiatric Medical Examiners;
15 (18) Polygraph Examiners Board;
16 (19) Texas State Board of Examiners of Psychologists;
17 (20) Texas Real Estate Commission;
18 (21) Board of Tax Professional Examiners;
19 (22) Texas Department of Transportation;
20 (23) State Board of Veterinary Medical Examiners;
21 (24) Texas Department of Housing and Community
22 Affairs;
23 (25) secretary of state;
24 (26) state fire marshal;
25 (27) Texas Education Agency; ~~and~~
26 (28) Department of Agriculture; and
27 (29) Texas Department of Motor Vehicles.

PART F. HEALTH AND SAFETY CODE

SECTION 3F.01. Section 382.209(e), Health and Safety Code, is amended to read as follows:

(e) A vehicle is not eligible to participate in a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program established under this section unless:

(1) the vehicle is capable of being operated;

(2) the registration of the vehicle:

(A) is current; and

(B) reflects that the vehicle has been registered in the county implementing the program for the 12 months preceding the application for participation in the program;

(3) the commissioners court of the county administering the program determines that the vehicle meets the eligibility criteria adopted by the commission, the Texas Department of Motor Vehicles [~~Transportation~~], and the Public Safety Commission;

(4) if the vehicle is to be repaired, the repair is done by a repair facility recognized by the Department of Public Safety, which may be an independent or private entity licensed by the state; and

(5) if the vehicle is to be retired under this subsection and Section 382.213, the replacement vehicle is a qualifying motor vehicle.

SECTION 3F.02. Section 382.210(f), Health and Safety Code, is amended to read as follows:

(f) In this section, "total cost" means the total amount of

1 money paid or to be paid for the purchase of a motor vehicle as set
2 forth as "sales price" in the form entitled "Application for Texas
3 Certificate of Title" promulgated by the Texas Department of Motor
4 Vehicles [~~Transportation~~]. In a transaction that does not involve
5 the use of that form, the term means an amount of money that is
6 equivalent, or substantially equivalent, to the amount that would
7 appear as "sales price" on the Application for Texas Certificate of
8 Title if that form were involved.

9 SECTION 3F.03. Section 461.017(a), Health and Safety Code,
10 is amended to read as follows:

11 (a) The Drug Demand Reduction Advisory Committee is
12 composed of the following members:

13 (1) five representatives of the public from different
14 geographic regions of the state who have knowledge and expertise in
15 issues relating to reducing drug demand and who are appointed by the
16 commissioner [~~executive director~~] of the Department of State Health
17 Services [~~Texas Commission on Alcohol and Drug Abuse~~]; and

18 (2) one representative of each of the following
19 agencies or offices who is appointed by the executive director or
20 commissioner of the agency or office and who is directly involved in
21 the agency's or office's policies, programs, or funding activities
22 relating to reducing drug demand:

23 (A) the criminal justice division of the
24 governor's office;

25 (B) the Criminal Justice Policy Council;

26 (C) the Department of Family and Protective [~~and~~
27 ~~Regulatory~~] Services;

- 1 (D) the Department of Public Safety of the State
2 of Texas;
- 3 (E) the Health and Human Services Commission;
- 4 (F) the Texas Alcoholic Beverage Commission;
- 5 (G) the Department of State Health Services
6 [~~Texas Commission on Alcohol and Drug Abuse~~];
- 7 (H) the Advisory Committee to the Texas Board of
8 Criminal Justice [~~Texas Council~~] on Offenders with Medical or
9 Mental Impairments;
- 10 (I) the Texas Department of Criminal Justice;
- 11 (J) the [~~Texas Department of~~] Health and [~~+~~
12 [~~(K) the Texas Department of~~] Human Services
13 Commission;
- 14 (K) [~~(L)~~] the [~~Texas~~] Department of Aging and
15 Disability Services [~~Mental Health and Mental Retardation~~];
- 16 (L) [~~(M)~~] the Texas Education Agency;
- 17 (M) [~~(N)~~] the Texas Juvenile Probation
18 Commission;
- 19 (N) [~~(O)~~] the Texas Youth Commission;
- 20 (O) [~~(P)~~] the Department of Assistive and
21 Rehabilitative Services [~~Texas Rehabilitation Commission~~];
- 22 (P) [~~(Q)~~] the Texas Workforce Commission;
- 23 (Q) [~~(R)~~] the Texas Department of Motor Vehicles
24 [~~Transportation~~];
- 25 (R) [~~(S)~~] the comptroller of public accounts;
26 and
- 27 (S) [~~(T)~~] the adjutant general's department.

PART G. HUMAN RESOURCES CODE

SECTION 3G.01. Section 22.041, Human Resources Code, is amended to read as follows:

Sec. 22.041. THIRD-PARTY INFORMATION. Notwithstanding any other provision of this code, the department may use information obtained from a third party to verify the assets and resources of a person for purposes of determining the person's eligibility and need for medical assistance, financial assistance, or nutritional assistance. Third-party information includes information obtained from:

(1) a consumer reporting agency, as defined by Section 20.01, Business & Commerce Code;

(2) an appraisal district; or

(3) the Texas Department of Motor Vehicles [~~Transportation's~~] vehicle registration record database.

SECTION 3G.02. Section 32.026(g), Human Resources Code, is amended to read as follows:

(g) Notwithstanding any other provision of this code, the department may use information obtained from a third party to verify the assets and resources of a person for purposes of determining the person's eligibility and need for medical assistance. Third-party information includes information obtained from:

(1) a consumer reporting agency, as defined by Section 20.01, Business & Commerce Code;

(2) an appraisal district; or

(3) the Texas Department of Motor Vehicles

1 [~~Transportation's~~] vehicle registration record database.

2 PART H. LOCAL GOVERNMENT CODE

3 SECTION 3H.01. Section 130.006, Local Government Code, is
4 amended to read as follows:

5 Sec. 130.006. PROCEDURES FOR COLLECTION OF DISHONORED
6 CHECKS AND INVOICES. A county tax assessor-collector may establish
7 procedures for the collection of dishonored checks and credit card
8 invoices. The procedures may include:

9 (1) official notification to the maker that the check
10 or invoice has not been honored and that the receipt, registration,
11 certificate, or other instrument issued on the receipt of the check
12 or invoice is not valid until payment of the fee or tax is made;

13 (2) notification of the sheriff or other law
14 enforcement officers that a check or credit card invoice has not
15 been honored and that the receipt, registration, certificate, or
16 other instrument held by the maker is not valid; and

17 (3) notification to the Texas Department of Motor
18 Vehicles [~~Transportation~~], the comptroller of public accounts, or
19 the Department of Public Safety that the receipt, registration,
20 certificate, or other instrument held by the maker is not valid.

21 SECTION 3H.02. Section 130.007, Local Government Code, is
22 amended to read as follows:

23 Sec. 130.007. REMISSION TO STATE NOT REQUIRED; STATE
24 ASSISTANCE IN COLLECTION. (a) If a fee or tax is required to be
25 remitted to the comptroller or the Texas Department of Motor
26 Vehicles [~~Transportation~~] and if payment was made to the county tax
27 assessor-collector by a check that was not honored by the drawee

1 bank or by a credit card invoice that was not honored by the credit
2 card issuer, the amount of the fee or tax is not required to be
3 remitted, but the assessor-collector shall notify the appropriate
4 department of:

- 5 (1) the amount of the fee or tax;
- 6 (2) the type of fee or tax involved; and
- 7 (3) the name and address of the maker.

8 (b) The Texas Department of Motor Vehicles [~~Transportation~~]
9 and the comptroller shall assist the county tax assessor-collector
10 in collecting the fee or tax and may cancel or revoke any receipt,
11 registration, certificate, or other instrument issued in the name
12 of the state conditioned on the payment of the fee or tax.

13 SECTION 3H.03. Section 130.008, Local Government Code, is
14 amended to read as follows:

15 Sec. 130.008. LIABILITY OF TAX COLLECTOR FOR VIOLATIONS OF
16 SUBCHAPTER. If the comptroller or the Texas Department of Motor
17 Vehicles [~~Transportation~~] determines that the county tax
18 assessor-collector has accepted payment for fees and taxes to be
19 remitted to that department in violation of Section 130.004 or that
20 more than two percent of the fees and taxes to be received from the
21 assessor-collector are not remitted because of the acceptance of
22 checks that are not honored by the drawee bank or of credit card
23 invoices that are not honored by the credit card issuer, the
24 department may notify the assessor-collector that the
25 assessor-collector may not accept a check or credit card invoice
26 for the payment of any fee or tax to be remitted to that department.
27 A county tax assessor-collector who accepts a check or credit card

1 invoice for the payment of a fee or tax, after notice that the
2 assessor-collector may not receive a check or credit card invoice
3 for the payment of fees or taxes to be remitted to a department, is
4 liable to the state for the amount of the check or credit card
5 invoice accepted.

6 SECTION 3H.04. Section 130.009, Local Government Code, is
7 amended to read as follows:

8 Sec. 130.009. STATE RULES. The comptroller and the Texas
9 Department of Motor Vehicles [~~Transportation~~] may make rules
10 concerning the acceptance of checks or credit card invoices by a
11 county tax assessor-collector and for the collection of dishonored
12 checks or credit card invoices.

13 PART I. OCCUPATIONS CODE

14 SECTION 3I.01. Section 554.009(c), Occupations Code, is
15 amended to read as follows:

16 (c) The board may register a vehicle with the Texas
17 Department of Motor Vehicles [~~Transportation~~] in an alias name only
18 for investigative personnel.

19 SECTION 3I.02. Section 2301.002(9), Occupations Code, is
20 amended to read as follows:

21 (9) "Department" means the Texas Department of Motor
22 Vehicles [~~Transportation~~].

23 SECTION 3I.03. Sections 2301.005(a) and (b), Occupations
24 Code, are amended to read as follows:

25 (a) A reference in law, including a rule, to the Texas Motor
26 Vehicle Commission or to the board means [~~the director, except that~~
27 ~~a reference to~~] the board of the Texas Department of Motor Vehicles

1 ~~[means the commission if it is related to the adoption of rules]~~.

2 (b) A reference in law, including a rule, to the executive
3 director of the Texas Motor Vehicle Commission means the executive
4 director of the Texas Department of Motor Vehicles.

5 SECTION 3I.04. Sections 2302.001(2), (3), and (6),
6 Occupations Code, are amended to read as follows:

7 (2) "Board" [~~"Commission"~~] means the board of the
8 Texas Department of Motor Vehicles [~~Transportation Commission~~].

9 (3) "Department" means the Texas Department of Motor
10 Vehicles [~~Transportation~~].

11 (6) "Salvage vehicle agent" means a person who
12 acquires, sells, or otherwise deals in nonrepairable or salvage
13 motor vehicles or used parts in this state as directed by the
14 salvage vehicle dealer under whose license the person operates.
15 The term does not include a person who:

16 (A) is a licensed salvage vehicle dealer or a
17 licensed used automotive parts recycler;

18 (B) is a partner, owner, or officer of a business
19 entity that holds a salvage vehicle dealer license or a used
20 automotive parts recycler license;

21 (C) is an employee of a licensed salvage vehicle
22 dealer or a licensed used automotive parts recycler; or

23 (D) only transports salvage motor vehicles for a
24 licensed salvage vehicle dealer or a licensed used automotive parts
25 recycler.

26 SECTION 3I.05. Section 2302.0015(b), Occupations Code, is
27 amended to read as follows:

1 (b) For the purpose of enforcing or administering this
2 chapter or Chapter 501 or 502, Transportation Code, a member of the
3 board [~~commission~~], an employee or agent of the board [~~commission~~]
4 or department, a member of the Public Safety Commission, an officer
5 of the Department of Public Safety, or a peace officer may at a
6 reasonable time:

7 (1) enter the premises of a business regulated under
8 one of those chapters; and

9 (2) inspect or copy any document, record, vehicle,
10 part, or other item regulated under one of those chapters.

11 SECTION 3I.06. Subchapter A, Chapter 2302, Occupations
12 Code, is amended by adding Section 2302.008 to read as follows:

13 Sec. 2302.008. APPLICABILITY OF CHAPTER TO USED AUTOMOTIVE
14 PARTS RECYCLERS. This chapter does not apply to a used automotive
15 parts recycler licensed under Chapter 2309.

16 SECTION 3I.07. Subchapter B, Chapter 2302, Occupations
17 Code, is amended to read as follows:

18 SUBCHAPTER B. BOARD [~~COMMISSION~~] POWERS AND DUTIES

19 Sec. 2302.051. RULES AND ENFORCEMENT POWERS. The board
20 [~~commission~~] shall adopt rules as necessary to administer this
21 chapter and may take other action as necessary to enforce this
22 chapter.

23 Sec. 2302.052. DUTY TO SET FEES. The board [~~commission~~]
24 shall set application fees, license fees, renewal fees, and other
25 fees as required to implement this chapter. The board [~~commission~~]
26 shall set the fees in amounts reasonable and necessary to implement
27 and enforce this chapter.

1 Sec. 2302.053. RULES RESTRICTING ADVERTISING OR
2 COMPETITIVE BIDDING. (a) The board [~~commission~~] may not adopt a
3 rule under Section 2302.051 restricting advertising or competitive
4 bidding by a person who holds a license issued under this chapter
5 except to prohibit false, misleading, or deceptive practices by the
6 person.

7 (b) The board [~~commission~~] may not include in its rules to
8 prohibit false, misleading, or deceptive practices a rule that:

9 (1) restricts the use of any advertising medium;

10 (2) restricts the person's personal appearance or use
11 of the person's voice in an advertisement;

12 (3) relates to the size or duration of an
13 advertisement by the person; or

14 (4) restricts the use of a trade name in advertising by
15 the person.

16 SECTION 3I.08. Section 2302.103(b), Occupations Code, is
17 amended to read as follows:

18 (b) An applicant may apply for a salvage vehicle dealer
19 license with an endorsement in one or more of the following
20 classifications:

21 (1) new automobile dealer;

22 (2) used automobile dealer;

23 (3) [~~used vehicle parts dealer,~~

24 ~~(4)~~] salvage pool operator;

25 (4) [~~(5)~~] salvage vehicle broker; or

26 (5) [~~(6)~~] salvage vehicle rebuilder.

27 SECTION 3I.09. Section 2302.108(b), Occupations Code, is

1 amended to read as follows:

2 (b) The board [~~commission~~] by rule shall establish the
3 grounds for denial, suspension, revocation, or reinstatement of a
4 license issued under this chapter and the procedures for
5 disciplinary action. A rule adopted under this subsection may not
6 conflict with a rule adopted by the State Office of Administrative
7 Hearings.

8 SECTION 3I.10. Section 2302.204, Occupations Code, is
9 amended to read as follows:

10 Sec. 2302.204. CASUAL SALES. This chapter does not apply to
11 a person who purchases fewer than three nonrepairable motor
12 vehicles or salvage motor vehicles from a salvage vehicle dealer,
13 an insurance company or salvage pool operator in a casual sale at
14 auction, except that:

15 (1) the board [~~commission~~] shall adopt rules as
16 necessary to regulate casual sales by salvage vehicle dealers,
17 insurance companies, or salvage pool operators and to enforce this
18 section; and

19 (2) a salvage vehicle dealer, insurance company, or
20 salvage pool operator who sells a motor vehicle in a casual sale
21 shall comply with those rules and Subchapter E, Chapter 501,
22 Transportation Code.

23 SECTION 3I.11. (a) Subtitle A, Title 14, Occupations Code,
24 is amended by adding Chapter 2309 to read as follows:

25 CHAPTER 2309. USED AUTOMOTIVE PARTS RECYCLERS

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 2309.001. SHORT TITLE. This chapter may be cited as

1 the Texas Used Automotive Parts Recycling Act.

2 Sec. 2309.002. DEFINITIONS. In this chapter:

3 (1) "Insurance company," "metal recycler," "motor
4 vehicle," "nonrepairable motor vehicle," "nonrepairable vehicle
5 title," "salvage motor vehicle," "salvage vehicle title," and
6 "salvage vehicle dealer" have the meanings assigned by Section
7 501.091, Transportation Code.

8 (2) "Commission" means the Texas Commission of
9 Licensing and Regulation.

10 (3) "Department" means the Texas Department of
11 Licensing and Regulation.

12 (4) "Executive director" means the executive director
13 of the department.

14 (5) "Used automotive part" has the meaning assigned to
15 "used part" by Section 501.091, Transportation Code.

16 (6) "Used automotive parts recycler" means a person
17 licensed under this chapter to operate a used automotive parts
18 recycling business.

19 (7) "Used automotive parts recycling" means the
20 dismantling and reuse or resale of used automotive parts and the
21 safe disposal of salvage motor vehicles or nonrepairable motor
22 vehicles, including the resale of those vehicles.

23 Sec. 2309.003. APPLICABILITY OF CHAPTER TO METAL RECYCLERS.

24 (a) Except as provided by Subsection (b), this chapter does not
25 apply to a transaction to which a metal recycler is a party.

26 (b) This chapter applies to a transaction in which a motor
27 vehicle:

1 (1) is sold, transferred, released, or delivered to a
2 metal recycler as a source of used automotive parts; and

3 (2) is used as a source of used automotive parts.

4 Sec. 2309.004. APPLICABILITY OF CHAPTER TO SALVAGE VEHICLE
5 DEALERS. (a) Except as provided by Subsection (b), this chapter
6 does not apply to a transaction in which a salvage vehicle dealer is
7 a party.

8 (b) This chapter applies to a transaction in which a motor
9 vehicle:

10 (1) is sold, transferred, released, or delivered to a
11 salvage vehicle dealer as a source of used automotive parts; and

12 (2) is used as a source of used automotive parts.

13 Sec. 2309.005. APPLICABILITY OF CHAPTER TO INSURANCE
14 COMPANIES. This chapter does not apply to an insurance company.

15 [Sections 2309.006-2309.050 reserved for expansion]

16 SUBCHAPTER B. ADVISORY BOARD

17 Sec. 2309.051. USED AUTOMOTIVE PARTS RECYCLING ADVISORY
18 BOARD. (a) The advisory board consists of six members representing
19 the used automotive parts industry in this state appointed by the
20 presiding officer of the commission with the approval of the
21 commission.

22 (b) The advisory board shall include members who represent
23 used automotive parts businesses owned by domestic entities, as
24 defined by Section 1.002, Business Organizations Code.

25 (c) The advisory board shall include one member who
26 represents a used automotive parts business owned by a foreign
27 entity, as defined by Section 1.002, Business Organizations Code.

1 (d) Appointments to the advisory board shall be made without
2 regard to the race, color, disability, sex, religion, age, or
3 national origin of the appointee.

4 Sec. 2309.052. TERMS; VACANCIES. (a) Advisory board
5 members serve terms of six years, with the terms of two members
6 expiring on February 1 of each odd-numbered year.

7 (b) A member may not serve more than two full consecutive
8 terms.

9 (c) If a vacancy occurs during a term, the presiding officer
10 of the commission shall appoint a replacement who meets the
11 qualifications of the vacated position to serve for the remainder
12 of the term.

13 Sec. 2309.053. PRESIDING OFFICER. The presiding officer of
14 the commission shall appoint one of the advisory board members to
15 serve as presiding officer of the advisory board for a term of one
16 year. The presiding officer of the advisory board may vote on any
17 matter before the advisory board.

18 Sec. 2309.054. POWERS AND DUTIES OF ADVISORY BOARD. The
19 advisory board shall provide advice and recommendations to the
20 department on technical matters relevant to the administration and
21 enforcement of this chapter, including licensing standards,
22 continuing education requirements, and examination content, if
23 applicable.

24 Sec. 2309.055. COMPENSATION; REIMBURSEMENT OF EXPENSES.
25 Advisory board members may not receive compensation but are
26 entitled to reimbursement for actual and necessary expenses
27 incurred in performing the functions of the advisory board, subject

1 to the General Appropriations Act.

2 Sec. 2309.056. MEETINGS. The advisory board shall meet
3 twice annually and may meet at other times at the call of the
4 presiding officer of the commission or the executive director.

5 [Sections 2309.057-2309.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES OF COMMISSION AND DEPARTMENT

7 Sec. 2309.101. GENERAL POWERS AND DUTIES. The executive
8 director or commission, as appropriate, may take action as
9 necessary to administer and enforce this chapter.

10 Sec. 2309.102. RULES. (a) The commission shall adopt
11 rules for licensing used automotive parts recyclers.

12 (b) The commission by rule shall adopt standards of conduct
13 for license holders under this chapter.

14 Sec. 2309.103. EXAMINATION OF CRIMINAL CONVICTION. The
15 department may conduct an examination of any criminal conviction of
16 an applicant, including by obtaining any criminal history record
17 information permitted by law.

18 Sec. 2309.104. FEES. The commission shall establish and
19 collect reasonable and necessary fees in amounts sufficient to
20 cover the costs of administering this chapter.

21 Sec. 2309.105. RULES RESTRICTING ADVERTISING OR
22 COMPETITIVE BIDDING. (a) The commission may not adopt a rule
23 restricting advertising or competitive bidding by a person who
24 holds a license issued under this chapter except to prohibit false,
25 misleading, or deceptive practices by the person.

26 (b) The commission may not include in its rules to prohibit
27 false, misleading, or deceptive practices a rule that:

1 (1) restricts the use of any advertising medium;

2 (2) restricts the person's personal appearance or use
3 of the person's voice in an advertisement;

4 (3) relates to the size or duration of an
5 advertisement by the person; or

6 (4) restricts the use of a trade name in advertising by
7 the person.

8 Sec. 2309.106. PERIODIC AND RISK-BASED INSPECTIONS. (a)

9 The department may enter and inspect at any time during business
10 hours:

11 (1) the place of business of any person regulated
12 under this chapter; or

13 (2) any place in which the department has reasonable
14 cause to believe that a license holder is in violation of this
15 chapter or in violation of a rule or order of the commission or
16 executive director.

17 (b) The department shall conduct additional inspections
18 based on a schedule of risk-based inspections using the following
19 criteria:

20 (1) the type and nature of the used automotive parts
21 recycler;

22 (2) the inspection history;

23 (3) any history of complaints involving a used
24 automotive parts recycler; and

25 (4) any other factor determined by the commission by
26 rule.

27 (c) A used automotive parts recycler shall pay a fee for

1 each risk-based inspection performed under this section. The
2 commission by rule shall set the amount of the fee.

3 (d) In conducting an inspection under this section, the
4 department may inspect a facility, a used automotive part, a
5 business record, or any other place or thing reasonably required to
6 enforce this chapter or a rule or order adopted under this chapter.

7 Sec. 2309.107. PERSONNEL. The department may employ
8 personnel necessary to administer and enforce this chapter.

9 [Sections 2309.108-2309.150 reserved for expansion]

10 SUBCHAPTER D. LICENSE REQUIREMENTS

11 Sec. 2309.151. LICENSE REQUIRED. Unless the person holds
12 an appropriate license issued under this chapter, a person may not
13 own or operate a used automotive parts recycling business or sell
14 used automotive parts.

15 Sec. 2309.152. GENERAL LICENSE APPLICATION REQUIREMENTS.
16 An applicant for a license under this chapter must submit to the
17 department:

18 (1) a completed application on a form prescribed by
19 the executive director;

20 (2) the required fees; and

21 (3) any other information required by commission rule.

22 Sec. 2309.153. LICENSE REQUIREMENTS. An applicant for a
23 license under this chapter must:

24 (1) establish proof of financial responsibility in the
25 manner prescribed by the executive director;

26 (2) provide proof of ownership or lease of the
27 property where the applicant will operate a used automotive parts

1 recycling facility; and

2 (3) provide a storm water permit if the applicant is
3 required by the Texas Commission on Environmental Quality to obtain
4 a permit.

5 Sec. 2309.154. NONTRANSFERABILITY OF LICENSE. A license
6 issued by the executive director is valid throughout this state and
7 is not transferable.

8 Sec. 2309.155. CONTINUING EDUCATION. (a) The commission by
9 rule shall recognize or prepare and administer continuing education
10 programs for license holders. Each license holder must complete a
11 continuing education program before the license holder may renew
12 the license holder's license.

13 (b) A person recognized by the commission to offer a
14 continuing education program must:

15 (1) register with the department; and

16 (2) comply with rules adopted by the commission
17 relating to continuing education.

18 Sec. 2309.156. LICENSE RENEWAL. (a) A license issued under
19 this chapter is valid for one year. The department may adopt a
20 system under which licenses expire at different times during the
21 year.

22 (b) The department shall notify the license holder at least
23 30 days before the date a license expires. The notice must be in
24 writing and sent to the license holder's last known address
25 according to the records of the department.

26 (c) A license holder may renew a license issued under this
27 chapter by:

1 (1) paying a renewal fee;

2 (2) providing to the department evidence of financial
3 responsibility;

4 (3) providing proof of ownership or lease of the
5 property where the license holder operates a used automotive parts
6 recycling facility;

7 (4) providing a storm water permit if the license
8 holder is required by the Texas Commission on Environmental Quality
9 to obtain a permit; and

10 (5) completing continuing education as required by
11 Section 2309.155.

12 [Sections 2309.157-2309.200 reserved for expansion]

13 SUBCHAPTER E. LOCAL REGULATION

14 Sec. 2309.201. APPLICABILITY OF CERTAIN MUNICIPAL
15 ORDINANCES, LICENSES, AND PERMITS. (a) The requirements of this
16 chapter apply in addition to the requirements of any applicable
17 municipal ordinance relating to the regulation of a person who
18 deals in nonrepairable or salvage motor vehicles or used automotive
19 parts.

20 (b) This chapter does not prohibit the enforcement of an
21 applicable municipal license or permit requirement that is related
22 to an activity regulated under this chapter.

23 [Sections 2309.202-2309.250 reserved for expansion]

24 SUBCHAPTER F. ENFORCEMENT

25 Sec. 2309.251. ADMINISTRATIVE PENALTY. (a) The commission
26 may impose an administrative penalty on a person under Subchapter
27 F, Chapter 51, regardless of whether the person holds a license

1 under this chapter, if the person violates:

2 (1) this chapter or a rule adopted under this chapter;

3 or

4 (2) a rule or order of the executive director or
5 commission.

6 (b) An administrative penalty may not be imposed unless the
7 person charged with a violation is provided the opportunity for a
8 hearing.

9 Sec. 2309.252. CEASE AND DESIST ORDER; INJUNCTION; CIVIL
10 PENALTY. (a) The executive director may issue a cease and desist
11 order as necessary to enforce this chapter if the executive
12 director determines that the action is necessary to prevent a
13 violation of this chapter and to protect public health and safety.

14 (b) The attorney general or executive director may
15 institute an action for an injunction or a civil penalty under this
16 chapter as provided by Section 51.352.

17 Sec. 2309.253. SANCTIONS. The department may impose
18 sanctions as provided by Section 51.353.

19 Sec. 2309.254. CRIMINAL PENALTY; LICENSING. (a) A person
20 commits an offense if the person:

21 (1) violates the licensing requirements of this
22 chapter;

23 (2) deals in used parts without a license; or

24 (3) employs an individual who does not hold the
25 appropriate license required by this chapter.

26 (b) An offense under this section is a Class C misdemeanor.

27 [Sections 2309.255-2309.300 reserved for expansion]

1 SUBCHAPTER G. CONDUCTING BUSINESS

2 Sec. 2309.301. DUTIES ON ACQUISITION OF SALVAGE MOTOR
3 VEHICLE. (a) A used automotive parts recycler who acquires
4 ownership of a salvage motor vehicle shall obtain a properly
5 assigned title from the previous owner of the vehicle.

6 (b) A used automotive parts recycler who acquires ownership
7 of a motor vehicle, nonrepairable motor vehicle, or salvage motor
8 vehicle for the purpose of dismantling, scrapping, or destroying
9 the motor vehicle shall, before the 61st day after the date of
10 acquiring the motor vehicle, submit to the Texas Department of
11 Transportation a report stating that the motor vehicle will be
12 dismantled, scrapped, or destroyed. The recycler shall:

13 (1) submit the report on a form prescribed by the Texas
14 Department of Transportation; and

15 (2) submit with the report a properly assigned
16 manufacturer's certificate of origin, regular certificate of
17 title, nonrepairable vehicle title, salvage vehicle title, or
18 comparable out-of-state ownership document for the motor vehicle.

19 (c) After receiving the report and title or document, the
20 Texas Department of Transportation shall issue the used automotive
21 parts recycler a receipt for the manufacturer's certificate of
22 origin, regular certificate of title, nonrepairable vehicle title,
23 salvage vehicle title, or comparable out-of-state ownership
24 document.

25 (d) The recycler shall comply with Subchapter E, Chapter
26 501, Transportation Code.

27 Sec. 2309.302. RECORDS OF PURCHASES. A used automotive

1 parts recycler shall maintain a record of each motor vehicle,
2 salvage motor vehicle, nonrepairable motor vehicle, and used
3 automotive part purchased.

4 Sec. 2309.303. REGISTRATION OF NEW BUSINESS LOCATION.
5 Before moving a place of business or opening an additional place of
6 business, a used automotive parts recycler must notify the
7 department of the new location. The used automotive parts recycler
8 shall provide a storm water permit for the location if a permit is
9 required by the Texas Commission on Environmental Quality.

10 [Sections 2309.304-2309.350 reserved for expansion]

11 SUBCHAPTER H. ADDITIONAL DUTIES OF USED AUTOMOTIVE PARTS RECYCLER
12 IN CONNECTION WITH MOTOR VEHICLE COMPONENT PARTS

13 Sec. 2309.351. DEFINITIONS. In this subchapter:

14 (1) "Component part" means a major component part as
15 defined by Section 501.091, Transportation Code, or a minor
16 component part.

17 (2) "Interior component part" means a motor vehicle's
18 seat or radio.

19 (3) "Minor component part" means an interior component
20 part, a special accessory part, or a motor vehicle part that
21 displays or should display at least one of the following:

22 (A) a federal safety certificate;

23 (B) a motor number;

24 (C) a serial number or a derivative; or

25 (D) a manufacturer's permanent vehicle
26 identification number or a derivative.

27 (4) "Special accessory part" means a motor vehicle's

1 tire, wheel, tailgate, or removable glass top.

2 Sec. 2309.352. REMOVAL OF LICENSE PLATES. Immediately on
3 receipt of a motor vehicle, a used automotive parts recycler shall:

4 (1) remove any unexpired license plates from the
5 vehicle; and

6 (2) place the license plates in a secure place until
7 destroyed by the used automotive parts recycler.

8 Sec. 2309.353. RECEIPT OF MOTOR VEHICLE. A used automotive
9 parts recycler may not take delivery of a motor vehicle unless the
10 recycler first obtains:

11 (1) a certificate of authority to dispose of the
12 vehicle, a sales receipt, or a transfer document for the vehicle
13 issued under Chapter 683, Transportation Code; or

14 (2) a certificate of title showing that there are no
15 liens on the vehicle or that all recorded liens have been released.

16 Sec. 2309.354. RECORD OF PURCHASE; INVENTORY OF PARTS. (a)
17 A used automotive parts recycler shall keep an accurate and legible
18 inventory of each used component part purchased by or delivered to
19 the recycler. The inventory must contain a record of each part
20 that includes:

21 (1) the date of purchase or delivery;

22 (2) the driver's license number of the seller and a
23 legible photocopy of the seller's driver's license;

24 (3) the license plate number of the motor vehicle in
25 which the part was delivered;

26 (4) a complete description of the part and, if
27 applicable, the make, model, color, and size of the part; and

1 (5) the vehicle identification number of the motor
2 vehicle from which the part was removed.

3 (b) As an alternative to the information required by
4 Subsection (a), a used automotive parts recycler may record:

5 (1) the name of the person who sold the part or the
6 motor vehicle from which the part was obtained; and

7 (2) the Texas certificate of inventory number or the
8 federal taxpayer identification number of the person.

9 (c) The department shall prescribe the form of the record
10 required by Subsection (a) and shall make the form available to used
11 automotive parts recyclers.

12 (d) This section does not apply to:

13 (1) an interior component part or special accessory
14 part from a motor vehicle more than 10 years old; or

15 (2) a part delivered to a used automotive parts
16 recycler by a commercial freight line, commercial carrier, or
17 licensed used automotive parts recycler.

18 Sec. 2309.355. ASSIGNMENT OF INVENTORY NUMBER. (a) A used
19 automotive parts recycler shall:

20 (1) assign a unique inventory number to each
21 transaction in which the recycler purchases or takes delivery of a
22 component part;

23 (2) attach that inventory number to each component
24 part the recycler obtains in the transaction; and

25 (3) retain each component part in its original
26 condition on the business premises of the recycler for at least
27 three calendar days, excluding Sundays, after the date the

1 recycler obtains the part.

2 (b) An inventory number attached to a component part under
3 Subsection (a) may not be removed while the part remains in the
4 inventory of the used automotive parts recycler.

5 (c) This section does not apply to the purchase by a used
6 automotive parts recycler of a nonoperational engine,
7 transmission, or rear axle assembly from another used automotive
8 parts recycler or an automotive-related business.

9 Sec. 2309.356. MAINTENANCE OF RECORDS. A used automotive
10 parts recycler shall keep a record required under this subchapter
11 on a form prescribed by the department or the Texas Department of
12 Transportation. The recycler shall maintain copies of each record
13 required under this subchapter until the first anniversary of the
14 purchase date of the item for which the record is maintained.

15 Sec. 2309.357. SURRENDER OF CERTAIN DOCUMENTS OR LICENSE
16 PLATES. (a) On demand, a used automotive parts recycler shall
17 surrender to the Texas Department of Transportation for
18 cancellation a certificate of title or authority, sales receipt or
19 transfer document, license plate, or inventory list that the
20 recycler is required to possess or maintain.

21 (b) The Texas Department of Transportation shall provide a
22 signed receipt for a surrendered certificate of title.

23 Sec. 2309.358. RESALE OF SALVAGE MOTOR VEHICLES OR
24 NONREPAIRABLE MOTOR VEHICLES. (a) A used automotive parts
25 recycler may sell salvage or nonrepairable vehicles only at the
26 recycler's business location.

27 (b) Before reselling a salvage motor vehicle or

1 nonrepairable motor vehicle, a used automotive parts recycler must
2 post notice on the vehicle of the type of title appropriate to the
3 vehicle.

4 Sec. 2309.359. INSPECTION OF RECORDS. (a) A peace officer
5 at any reasonable time may inspect a record required to be
6 maintained under this subchapter, including an inventory record.

7 (b) On demand by a peace officer, a used automotive parts
8 recycler shall provide to the officer a copy of a record required to
9 be maintained under this subchapter.

10 (c) A peace officer may inspect the inventory on the
11 premises of a used automotive parts recycler at any reasonable time
12 to verify, check, or audit the records required to be maintained
13 under this subchapter.

14 (d) A used automotive parts recycler or an employee of the
15 recycler shall allow and may not interfere with a peace officer's
16 inspection of the recycler's inventory, premises, or required
17 inventory records.

18 [Sections 2309.360-2309.400 reserved for expansion]

19 SUBCHAPTER I. MOTOR VEHICLE SALVAGE YARDS IN CERTAIN COUNTIES

20 Sec. 2309.401. APPLICABILITY OF SUBCHAPTER. This
21 subchapter applies only to a used automotive parts facility located
22 in a county with a population of 2.8 million or more.

23 Sec. 2309.402. LIMITS ON OPERATION OF HEAVY MACHINERY. (a)
24 A used automotive parts recycler may not operate heavy machinery in
25 a used automotive parts recycling facility between the hours of 7
26 p.m. of one day and 7 a.m. of the following day.

27 (b) This section does not apply to conduct necessary to a

1 sale or purchase by the recycler.

2 (b) Section 2302.253, Occupations Code, is repealed.

3 (c) Not later than January 1, 2010, the Texas Commission of
4 Licensing and Regulation shall adopt rules under Section 2309.102,
5 Occupations Code, as added by Subsection (a) of this section.

6 (d) Section 2309.151, Occupations Code, as added by
7 Subsection (a) of this section, and Subchapter F, Chapter 2309,
8 Occupations Code, as added by Subsection (a) of this section, take
9 effect September 1, 2010.

10 SECTION 3I.12. Section 2301.002(33), Occupations Code, is
11 repealed.

12 PART J. PENAL CODE

13 SECTION 3J.01. Section 31.03(c), Penal Code, is amended to
14 read as follows:

15 (c) For purposes of Subsection (b):

16 (1) evidence that the actor has previously
17 participated in recent transactions other than, but similar to,
18 that which the prosecution is based is admissible for the purpose of
19 showing knowledge or intent and the issues of knowledge or intent
20 are raised by the actor's plea of not guilty;

21 (2) the testimony of an accomplice shall be
22 corroborated by proof that tends to connect the actor to the crime,
23 but the actor's knowledge or intent may be established by the
24 uncorroborated testimony of the accomplice;

25 (3) an actor engaged in the business of buying and
26 selling used or secondhand personal property, or lending money on
27 the security of personal property deposited with the actor, is

1 presumed to know upon receipt by the actor of stolen property (other
2 than a motor vehicle subject to Chapter 501, Transportation Code)
3 that the property has been previously stolen from another if the
4 actor pays for or loans against the property \$25 or more (or
5 consideration of equivalent value) and the actor knowingly or
6 recklessly:

7 (A) fails to record the name, address, and
8 physical description or identification number of the seller or
9 pledgor;

10 (B) fails to record a complete description of the
11 property, including the serial number, if reasonably available, or
12 other identifying characteristics; or

13 (C) fails to obtain a signed warranty from the
14 seller or pledgor that the seller or pledgor has the right to
15 possess the property. It is the express intent of this provision
16 that the presumption arises unless the actor complies with each of
17 the numbered requirements;

18 (4) for the purposes of Subdivision (3)(A),
19 "identification number" means driver's license number, military
20 identification number, identification certificate, or other
21 official number capable of identifying an individual;

22 (5) stolen property does not lose its character as
23 stolen when recovered by any law enforcement agency;

24 (6) an actor engaged in the business of obtaining
25 abandoned or wrecked motor vehicles or parts of an abandoned or
26 wrecked motor vehicle for resale, disposal, scrap, repair,
27 rebuilding, demolition, or other form of salvage is presumed to

1 know on receipt by the actor of stolen property that the property
2 has been previously stolen from another if the actor knowingly or
3 recklessly:

4 (A) fails to maintain an accurate and legible
5 inventory of each motor vehicle component part purchased by or
6 delivered to the actor, including the date of purchase or delivery,
7 the name, age, address, sex, and driver's license number of the
8 seller or person making the delivery, the license plate number of
9 the motor vehicle in which the part was delivered, a complete
10 description of the part, and the vehicle identification number of
11 the motor vehicle from which the part was removed, or in lieu of
12 maintaining an inventory, fails to record the name and certificate
13 of inventory number of the person who dismantled the motor vehicle
14 from which the part was obtained;

15 (B) fails on receipt of a motor vehicle to obtain
16 a certificate of authority, sales receipt, or transfer document as
17 required by Chapter 683, Transportation Code, or a certificate of
18 title showing that the motor vehicle is not subject to a lien or
19 that all recorded liens on the motor vehicle have been released; or

20 (C) fails on receipt of a motor vehicle to
21 immediately remove an unexpired license plate from the motor
22 vehicle, to keep the plate in a secure and locked place, or to
23 maintain an inventory, on forms provided by the Texas Department of
24 Motor Vehicles [~~Transportation~~], of license plates kept under this
25 paragraph, including for each plate or set of plates the license
26 plate number and the make, motor number, and vehicle identification
27 number of the motor vehicle from which the plate was removed;

1 (7) an actor who purchases or receives a used or
2 secondhand motor vehicle is presumed to know on receipt by the actor
3 of the motor vehicle that the motor vehicle has been previously
4 stolen from another if the actor knowingly or recklessly:

5 (A) fails to report to the Texas Department of
6 Motor Vehicles [~~Transportation~~] the failure of the person who sold
7 or delivered the motor vehicle to the actor to deliver to the actor
8 a properly executed certificate of title to the motor vehicle at the
9 time the motor vehicle was delivered; or

10 (B) fails to file with the county tax
11 assessor-collector of the county in which the actor received the
12 motor vehicle, not later than the 20th day after the date the actor
13 received the motor vehicle, the registration license receipt and
14 certificate of title or evidence of title delivered to the actor in
15 accordance with Subchapter D, Chapter 520, Transportation Code, at
16 the time the motor vehicle was delivered;

17 (8) an actor who purchases or receives from any source
18 other than a licensed retailer or distributor of pesticides a
19 restricted-use pesticide or a state-limited-use pesticide or a
20 compound, mixture, or preparation containing a restricted-use or
21 state-limited-use pesticide is presumed to know on receipt by the
22 actor of the pesticide or compound, mixture, or preparation that
23 the pesticide or compound, mixture, or preparation has been
24 previously stolen from another if the actor:

25 (A) fails to record the name, address, and
26 physical description of the seller or pledgor;

27 (B) fails to record a complete description of the

1 amount and type of pesticide or compound, mixture, or preparation
2 purchased or received; and

3 (C) fails to obtain a signed warranty from the
4 seller or pledgor that the seller or pledgor has the right to
5 possess the property; and

6 (9) an actor who is subject to Section 409, Packers and
7 Stockyards Act (7 U.S.C. Section 228b), that obtains livestock from
8 a commission merchant by representing that the actor will make
9 prompt payment is presumed to have induced the commission
10 merchant's consent by deception if the actor fails to make full
11 payment in accordance with Section 409, Packers and Stockyards Act
12 (7 U.S.C. Section 228b).

13 SECTION 3J.02. Section 31.11(b), Penal Code, is amended to
14 read as follows:

15 (b) It is an affirmative defense to prosecution under this
16 section that the person was:

17 (1) the owner or acting with the effective consent of
18 the owner of the property involved;

19 (2) a peace officer acting in the actual discharge of
20 official duties; or

21 (3) acting with respect to a number assigned to a
22 vehicle by the Texas Department of Transportation or the Texas
23 Department of Motor Vehicles, as applicable, and the person was:

24 (A) in the actual discharge of official duties as
25 an employee or agent of the department; or

26 (B) in full compliance with the rules of the
27 department as an applicant for an assigned number approved by the

1 department.

2 PART K. TAX CODE

3 SECTION 3K.01. Section 21.02(d), Tax Code, is amended to
4 read as follows:

5 (d) A motor vehicle does not have taxable situs in a taxing
6 unit under Subsection (a)(1) if, on January 1, the vehicle:

7 (1) has been located for less than 60 days at a place
8 of business of a person who holds a wholesale motor vehicle auction
9 general distinguishing number issued by the Texas Department of
10 Motor Vehicles [~~Transportation~~] under Chapter 503, Transportation
11 Code, for that place of business; and

12 (2) is offered for resale.

13 SECTION 3K.02. Section 22.04(d), Tax Code, is amended to
14 read as follows:

15 (d) This section does not apply to a motor vehicle that on
16 January 1 is located at a place of business of a person who holds a
17 wholesale motor vehicle auction general distinguishing number
18 issued by the Texas Department of Motor Vehicles [~~Transportation~~]
19 under Chapter 503, Transportation Code, for that place of business,
20 and that:

21 (1) has not acquired taxable situs under Section
22 21.02(a)(1) in a taxing unit that participates in the appraisal
23 district because the vehicle is described by Section 21.02(d);

24 (2) is offered for sale by a dealer who holds a
25 dealer's general distinguishing number issued by the Texas
26 Department of Motor Vehicles [~~Transportation~~] under Chapter 503,
27 Transportation Code, and whose inventory of motor vehicles is

1 subject to taxation in the manner provided by Sections 23.121 and
2 23.122; or

3 (3) is collateral possessed by a lienholder and
4 offered for sale in foreclosure of a security interest.

5 SECTION 3K.03. Sections 23.121(a)(3), (11), and (14), Tax
6 Code, are amended to read as follows:

7 (3) "Dealer" means a person who holds a dealer's
8 general distinguishing number issued by the Texas Department of
9 Motor Vehicles [~~Transportation~~] under the authority of Chapter 503,
10 Transportation Code, or who is legally recognized as a motor
11 vehicle dealer pursuant to the law of another state and who complies
12 with the terms of Section 152.063(f). The term does not include:

13 (A) a person who holds a manufacturer's license
14 issued under Chapter 2301, Occupations Code [~~by the Motor Vehicle~~
15 ~~Board of the Texas Department of Transportation~~];

16 (B) an entity that is owned or controlled by a
17 person who holds a manufacturer's license issued under Chapter
18 2301, Occupations Code [~~by the Motor Vehicle Board of the Texas~~
19 ~~Department of Transportation~~]; or

20 (C) a dealer whose general distinguishing number
21 issued by the Texas Department of Motor Vehicles [~~Transportation~~]
22 under the authority of Chapter 503, Transportation Code, prohibits
23 the dealer from selling a vehicle to any person except a dealer.

24 (11) "Sales price" means the total amount of money
25 paid or to be paid for the purchase of a motor vehicle as set forth
26 as "sales price" in the form entitled "Application for Texas
27 Certificate of Title" promulgated by the Texas Department of Motor

1 Vehicles [~~Transportation~~]. In a transaction that does not involve
2 the use of that form, the term means an amount of money that is
3 equivalent, or substantially equivalent, to the amount that would
4 appear as "sales price" on the Application for Texas Certificate of
5 Title if that form were involved.

6 (14) "Towable recreational vehicle" means a
7 nonmotorized vehicle that is designed for temporary human
8 habitation for recreational, camping, or seasonal use and:

9 (A) is titled and registered with the Texas
10 Department of Motor Vehicles [~~Transportation~~] through the office of
11 the collector;

12 (B) is permanently built on a single chassis;

13 (C) contains one or more life support systems;

14 and

15 (D) is designed to be towable by a motor vehicle.

16 SECTION 3K.04. Sections 23.121(f), (g), and (h), Tax Code,
17 are amended to read as follows:

18 (f) The comptroller shall promulgate a form entitled
19 Dealer's Motor Vehicle Inventory Declaration. Except as provided
20 by Section 23.122(1) [~~of this code~~], not later than February 1 of
21 each year, or, in the case of a dealer who was not in business on
22 January 1, not later than 30 days after commencement of business,
23 each dealer shall file a declaration with the chief appraiser and
24 file a copy with the collector. For purposes of this subsection, a
25 dealer is presumed to have commenced business on the date of
26 issuance to the dealer of a dealer's general distinguishing number
27 as provided by Chapter 503, Transportation Code. Notwithstanding

1 the presumption created by this subsection, a chief appraiser may,
2 at his or her sole discretion, designate as the date on which a
3 dealer commenced business a date other than the date of issuance to
4 the dealer of a dealer's general distinguishing number. The
5 declaration is sufficient to comply with this subsection if it sets
6 forth the following information:

7 (1) the name and business address of each location at
8 which the dealer owner conducts business;

9 (2) each of the dealer's general distinguishing
10 numbers issued by the Texas Department of Motor Vehicles
11 [~~Transportation~~];

12 (3) a statement that the dealer owner is the owner of a
13 dealer's motor vehicle inventory; and

14 (4) the market value of the dealer's motor vehicle
15 inventory for the current tax year as computed under Section
16 23.121(b) [~~of this code~~].

17 (g) Under the terms provided by this subsection, the chief
18 appraiser may examine the books and records of the holder of a
19 general distinguishing number issued by the Texas Department of
20 Motor Vehicles [~~Transportation~~]. A request made under this
21 subsection must be made in writing, delivered personally to the
22 custodian of the records, at the location for which the general
23 distinguishing number has been issued, must provide a period not
24 less than 15 days for the person to respond to the request, and must
25 state that the person to whom it is addressed has the right to seek
26 judicial relief from compliance with the request. In a request made
27 under this section the chief appraiser may examine:

1 (1) the document issued by the Texas Department of
2 Motor Vehicles [~~Transportation~~] showing the person's general
3 distinguishing number;

4 (2) documentation appropriate to allow the chief
5 appraiser to ascertain the applicability of this section and
6 Section 23.122 [~~of this code~~] to the person;

7 (3) sales records to substantiate information set
8 forth in the dealer's declaration filed by the person.

9 (h) If a dealer fails to file a declaration as required by
10 this section, or if, on the declaration required by this section, a
11 dealer reports the sale of fewer than five motor vehicles in the
12 prior year, the chief appraiser shall report that fact to the Texas
13 Department of Motor Vehicles [~~Transportation~~] and the department
14 shall initiate termination proceedings. The chief appraiser shall
15 include with the report a copy of a declaration, if any, indicating
16 the sale by a dealer of fewer than five motor vehicles in the prior
17 year. A report by a chief appraiser to the Texas Department of
18 Motor Vehicles [~~Transportation~~] as provided by this subsection is
19 prima facie grounds for the cancellation of the dealer's general
20 distinguishing number under Section 503.038(a)(9), Transportation
21 Code, or for refusal by the Texas Department of Motor Vehicles
22 [~~Transportation~~] to renew the dealer's general distinguishing
23 number.

24 SECTION 3K.05. Section 23.123(c), Tax Code, is amended to
25 read as follows:

26 (c) Information made confidential by this section may be
27 disclosed:

1 (1) in a judicial or administrative proceeding
2 pursuant to a lawful subpoena;

3 (2) to the person who filed the declaration or
4 statement or to that person's representative authorized by the
5 person in writing to receive the information;

6 (3) to the comptroller or an employee of the
7 comptroller authorized by the comptroller to receive the
8 information;

9 (4) to a collector or chief appraiser;

10 (5) to a district attorney, criminal district attorney
11 or county attorney involved in the enforcement of a penalty imposed
12 pursuant to Section 23.121 or Section 23.122 [~~of this code~~];

13 (6) for statistical purposes if in a form that does not
14 identify specific property or a specific property owner;

15 (7) if and to the extent that the information is
16 required for inclusion in a public document or record that the
17 appraisal or collection office is required by law to prepare or
18 maintain; or

19 (8) to the Texas Department of Motor Vehicles
20 [~~Transportation~~] for use by that department in auditing compliance
21 of its licensees with appropriate provisions of applicable law.

22 SECTION 3K.06. Section 23.124(a)(11), Tax Code, is amended
23 to read as follows:

24 (11) "Sales price" means the total amount of money
25 paid or to be paid for the purchase of:

26 (A) a vessel, other than a trailer that is
27 treated as a vessel, as set forth as "sales price" in the form

1 entitled "Application for Texas Certificate of Number/Title for
2 Boat/Seller, Donor or Trader's Affidavit" promulgated by the Parks
3 and Wildlife Department;

4 (B) an outboard motor as set forth as "sales
5 price" in the form entitled "Application for Texas Certificate of
6 Title for an Outboard Motor/Seller, Donor or Trader's Affidavit"
7 promulgated by the Parks and Wildlife Department; or

8 (C) a trailer that is treated as a vessel as set
9 forth as "sales price" in the form entitled "Application for Texas
10 Certificate of Title" promulgated by the Texas Department of Motor
11 Vehicles [~~Transportation~~].

12 In a transaction involving a vessel, an outboard motor,
13 or a trailer that is treated as a vessel that does not involve the
14 use of one of these forms, the term means an amount of money that is
15 equivalent, or substantially equivalent, to the amount that would
16 appear as "sales price" on the Application for Texas Certificate of
17 Number/Title for Boat/Seller, Donor or Trader's Affidavit, the
18 Application for Texas Certificate of Title for an Outboard
19 Motor/Seller, Donor or Trader's Affidavit, or the Application for
20 Texas Certificate of Title if one of these forms were involved.

21 SECTION 3K.07. Section 113.011, Tax Code, is amended to
22 read as follows:

23 Sec. 113.011. LIENS FILED WITH TEXAS DEPARTMENT OF MOTOR
24 VEHICLES [~~TRANSPORTATION~~]. The comptroller shall furnish to the
25 Texas Department of Motor Vehicles [~~Transportation~~] each release of
26 a tax lien filed by the comptroller with that department.

27 SECTION 3K.08. Sections 152.0412(a) and (f), Tax Code, are

1 amended to read as follows:

2 (a) In this section, "standard presumptive value" means the
3 private-party transaction value of a motor vehicle, as determined
4 by the Texas Department of Motor Vehicles [~~Transportation~~] based on
5 an appropriate regional guidebook of a nationally recognized motor
6 vehicle value guide service, or based on another motor vehicle
7 guide publication that the department determines is appropriate if
8 a private-party transaction value for the motor vehicle is not
9 available from a regional guidebook described by this subsection.

10 (f) The Texas Department of Motor Vehicles [~~Transportation~~]
11 shall maintain information on the standard presumptive values of
12 motor vehicles as part of the department's registration and title
13 system. The department shall update the information at least
14 quarterly each calendar year and publish, electronically or
15 otherwise, the updated information.

16 SECTION 3K.09. Section 152.042, Tax Code, is amended to
17 read as follows:

18 Sec. 152.042. COLLECTION OF TAX ON METAL DEALER PLATES. A
19 person required to pay the tax imposed by Section 152.027 shall pay
20 the tax to the Texas Department of Motor Vehicles [~~Transportation~~],
21 and the department may not issue the metal dealer's plates until the
22 tax is paid.

23 SECTION 3K.10. Section 152.121(b), Tax Code, is amended to
24 read as follows:

25 (b) Taxes on metal dealer plates collected by the Texas
26 Department of Motor Vehicles [~~Transportation~~] shall be deposited by
27 the department in the state treasury in the same manner as are other

1 taxes collected under this chapter.

2 SECTION 3K.11. Section 162.001(52), Tax Code, is amended to
3 read as follows:

4 (52) "Registered gross weight" means the total weight
5 of the vehicle and carrying capacity shown on the registration
6 certificate issued by the Texas Department of Motor Vehicles
7 [~~Transportation~~].

8 ARTICLE 4. TRANSFERS OF CERTAIN POWERS, DUTIES, OBLIGATIONS, AND
9 RIGHTS OF ACTION

10 SECTION 4.01. (a) All powers, duties, obligations, and
11 rights of action of the Motor Vehicle Division and the Vehicle
12 Titles and Registration Division of the Texas Department of
13 Transportation are transferred to the Texas Department of Motor
14 Vehicles, and all powers, duties, obligations, and rights of action
15 of the Texas Transportation Commission in connection or associated
16 with those divisions of the Texas Department of Transportation are
17 transferred to the board of the Texas Department of Motor Vehicles
18 on November 1, 2009.

19 (b) The powers, duties, obligations, and rights of action of
20 the portion of the Motor Carrier Division of the Texas Department of
21 Transportation that is responsible for motor carrier registration
22 and the enforcement of Subtitle F, Title 7, Transportation Code,
23 are transferred to the Texas Department of Motor Vehicles, and the
24 associated powers, duties, obligations, and rights of action of the
25 Texas Transportation Commission are transferred to the board of the
26 Texas Department of Motor Vehicles on November 1, 2009.

27 (c) In connection with the transfers required by

1 Subsections (a) and (b) of this section, the personnel, furniture,
2 computers, other property and equipment, files, and related
3 materials used by the Motor Vehicle Division, the Vehicle Titles
4 and Registration Division, or the portion of the Motor Carrier
5 Division of the Texas Department of Transportation described in
6 Subsection (b) of this section are transferred to the Texas
7 Department of Motor Vehicles.

8 (d) The Texas Department of Motor Vehicles shall continue
9 any proceeding involving the Motor Vehicle Division, the Vehicle
10 Titles and Registration Division, or the portion of the Motor
11 Carrier Division of the Texas Department of Transportation
12 described in Subsection (b) of this section that was brought before
13 the effective date of this Act in accordance with the law in effect
14 on the date the proceeding was brought, and the former law is
15 continued in effect for that purpose.

16 (e) A certificate, license, document, permit, registration,
17 or other authorization issued by the Motor Vehicle Division or the
18 Vehicle Titles and Registration Division of the Texas Department of
19 Transportation or a registration issued by the Motor Carrier
20 Division of the Texas Department of Transportation that is in
21 effect on the effective date of this Act remains valid for the
22 period for which it was issued unless suspended or revoked by the
23 Texas Department of Motor Vehicles.

24 (f) A rule adopted by the Texas Transportation Commission or
25 the director of the Texas Department of Transportation in
26 connection with or relating to the Motor Vehicle Division, the
27 Vehicle Titles and Registration Division, or the portion of the

1 Motor Carrier Division of the Texas Department of Transportation
2 described in Subsection (b) of this section continues in effect
3 until it is amended or repealed by the board of the Texas Department
4 of Motor Vehicles or the Texas Department of Motor Vehicles, as
5 applicable.

6 (g) The unobligated and unexpended balance of any
7 appropriations made to the Texas Department of Transportation in
8 connection with or relating to the Motor Vehicle Division, the
9 Vehicle Titles and Registration Division, or the portion of the
10 Motor Carrier Division of the Texas Department of Transportation
11 described in Subsection (b) of this section for the state fiscal
12 biennium ending August 31, 2009, is transferred and reappropriated
13 to the Texas Department of Motor Vehicles for the purpose of
14 implementing the powers, duties, obligations, and rights of action
15 transferred to that department under Subsection (a) of this
16 section.

17 SECTION 4.02. (a) All powers, duties, obligations, and
18 rights of action of the Automobile Burglary and Theft Prevention
19 Authority Office of the Texas Department of Transportation under
20 Article 4413(37), Revised Statutes, are transferred to the
21 Automobile Burglary and Theft Prevention Authority Division of the
22 Texas Department of Motor Vehicles, and all powers, duties,
23 obligations, and rights of action of the Texas Transportation
24 Commission in connection or associated with the Automobile Burglary
25 and Theft Prevention Authority Office of the Texas Department of
26 Transportation are transferred to the board of the Texas Department
27 of Motor Vehicles on November 1, 2009.

1 (b) In connection with the transfers required by Subsection
2 (a) of this section, the personnel, furniture, computers, other
3 property and equipment, files, and related materials used by the
4 Automobile Burglary and Theft Prevention Authority Office of the
5 Texas Department of Transportation are transferred to the
6 Automobile Burglary and Theft Prevention Authority Division of the
7 Texas Department of Motor Vehicles.

8 (c) The Automobile Burglary and Theft Prevention Authority
9 Division of the Texas Department of Motor Vehicles shall continue
10 any proceeding involving the Automobile Burglary and Theft
11 Prevention Authority Office of the Texas Department of
12 Transportation that was brought before the effective date of this
13 Act in accordance with the law in effect on the date the proceeding
14 was brought, and the former law is continued in effect for that
15 purpose.

16 (d) A certificate, license, document, permit, registration,
17 or other authorization issued by the Automobile Burglary and Theft
18 Prevention Authority Office of the Texas Department of
19 Transportation that is in effect on the effective date of this Act
20 remains valid for the period for which it was issued unless
21 suspended or revoked by the Automobile Burglary and Theft
22 Prevention Authority Division of the Texas Department of Motor
23 Vehicles.

24 (e) A rule adopted by the Automobile Burglary and Theft
25 Prevention Authority Office of the Texas Department of
26 Transportation, the Texas Transportation Commission, or the
27 director of the Texas Department of Transportation in connection

1 with or relating to the Automobile Burglary and Theft Prevention
2 Authority Office of that department continues in effect until it is
3 amended or repealed by the board of the Texas Department of Motor
4 Vehicles or the Automobile Burglary and Theft Prevention Authority
5 Division of the Texas Department of Motor Vehicles, as applicable.

6 (f) The unobligated and unexpended balance of any
7 appropriations made to the Texas Department of Transportation in
8 connection with or relating to the Automobile Burglary and Theft
9 Prevention Authority Office of that department for the state fiscal
10 biennium ending August 31, 2009, is transferred and reappropriated
11 to the Texas Department of Motor Vehicles for the purpose of
12 implementing the powers, duties, obligations, and rights of action
13 transferred to that department under Subsection (a) of this
14 section.

15 SECTION 4.03. The Transportation Legislative Oversight
16 Committee shall oversee the coordination and collaboration between
17 the Texas Department of Transportation and the Texas Department of
18 Motor Vehicles during the transitions required by Sections 4.01 and
19 4.02 of this article.

20 ARTICLE 5. APPOINTMENT OF BOARD

21 SECTION 5.01. Not later than October 1, 2009, the governor
22 shall appoint the members of the board of the Texas Department of
23 Motor Vehicles in accordance with Subchapter B, Chapter 1001,
24 Transportation Code, as added by this Act.

25 ARTICLE 6. FINANCIAL AUDIT

26 SECTION 6.01. (a) As soon as practicable after the
27 effective date of this Act, the office of the state auditor shall

1 conduct an initial financial audit to establish financial
2 benchmarks for the Texas Department of Motor Vehicles on its
3 overall status and condition in relation to funds on hand,
4 equipment and other assets, pending matters, and other issues
5 considered appropriate by the office of the state auditor.

6 (b) As soon as practicable after the completion of the audit
7 required by Subsection (a) of this section, the results of the audit
8 shall be reported by the office of the state auditor to the board of
9 the Texas Department of Motor Vehicles and to the Texas
10 Transportation Commission. The office of the state auditor shall
11 also provide a copy of the audit to the board and the commission.

12 ARTICLE 7. EFFECTIVE DATE

13 SECTION 7.01. This Act takes effect September 1, 2009.